

JPRS-EER-86-185

5 DECEMBER 1986

# East Europe Report

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ECONOMY

CZECHOSLOVAKIA

STROJEXPORT INTERNATIONAL SALES DISCUSSED

Prague SVET HOSPODARSTVI in Czech No 100, 1986, p 2

[Interview with Eng Josef Levora, general director of the Strojexport foreign trade enterprise: "Strojexport: An Important Supplier to Foreign Markets"]

[Text] The Strojexport foreign trade enterprise is a leader in foreign sales of Czechoslovak machinery and equipment. It is involved in foreign sales of equipment, construction work, and geological services to customers in 90 countries. Strojexport is important to the Czechoslovak economy as an importer of state of the art technology for a number of fields, but primarily for the power generation, engineering, construction, health care and transportation industries. It is also engaged in the construction of nationally important facilities in these sectors in cooperation with foreign subcontractors. For more than 30 years Strojexport has been one of our best performing foreign trade organizations. It exports products that are developed and produced by more than 200 leading Czechoslovak firms. Following is an interview with Eng Josef Levora, general director of the Strojexport foreign trade organization, concerning Strojexport's export performance and its objectives for the Eighth 5-Year Plan.

[Question] Cooperation with partners from CEMA and other socialist countries forms the basis of Strojexport's economic activity. It both stabilizes and provides impetus to your operations. How did this cooperation evolve in the Seventh 5-Year Plan?

[Answer] Trade with these countries accounts for more than 80 percent of our revenues. Exports have been increasing generally. In the Seventh 5-Year Plan we achieved average annual increases of 25 percent. Put another way, between 1981 and 1985 we doubled our exports to the countries of the socialist community.

Our biggest sellers are construction, road building and earthmoving equipment. In 1985 alone we exported Kcs 2.5 billion of this equipment in all charges paid prices. We also export large numbers of buildings, pumping stations for the crude oil and natural gas industries, railway cars, and equipment for both strip and subsurface mining.

Developments in international socialist economic integration exerts a significant impact on our relationships with CEMA countries. Strojexport participates in 10 bilateral and 18 multilateral specialization and cooperation agreements with the result that about one third of the machinery revenues of the enterprise come from specialized products, whose design depends mostly on construction techniques. At present specialization is most prevalent in machinery for the construction, road building and earthmoving sectors. For example, custom machines currently account for 80 percent of our exports of construction and road building machinery to the USSR, and commitments for the Eighth 5-Year Plan provide for some degree of specialization in almost all types of exported construction machinery. Under other specialization agreements, Strojexport supplies railway cars for transporting coal, flat cars, high-walled freight cars, moving and lifting equipment such as cranes, escalators for subways, and front and side loading forklift vehicles.

Our specialization agreements also provide for deliveries of weighing and pneumatic products. Equipment for the surface mining of minerals produced by the Vítkovice concern enterprise is an important part of future marketing plans. This type of capital equipment is already operating in brown coal regions in Yugoslavia, Poland and Bulgaria. Our largest customer for this type of equipment is the Soviet Union. In the Seventh 5-Year Plan we delivered turn-key facilities for the surface mining of iron ore, phosphates, and titanium sands to the Brjan Combine and the Verchnedneprovsk Combine. Agreements for the Eighth 5-Year Plan include deliveries of additional overburden removal equipment and conveyor belt systems valued at more than 200 million rubles.

[Question] You mentioned the importance of our cooperation with the USSR. How well are you meeting your commitments?

[Answer] Cooperation with the USSR is of fundamental importance for both our imports and our exports. Trade with the Soviet Union is providing ever increasing percentages of Strojexport revenues. Currently 57 percent of our trade is with the Soviet Union. In the Seventh 5-Year Plan we were able to increase our exports to the Soviet Union by a factor of more than 2.5, which represented a considerable overfulfillment of the demanding targets for trade with the USSR for this period. Strojexport received for these efforts the Red Banner of the CSSR Government and the Central Council of Trade Unions in 1981 and in 1984 we received the Red Standards of the Ministry of Foreign Trade and the trade unions as top export performers.

The greatest increases in exports during the Seventh 5-Year Plan were in construction and road building equipment manufactured by the Martin Heavy Engineering Plants, economic production unit [VHJ], one of our major suppliers, the Vítkovice and Zlicin Strojstav concern enterprises, and other production organizations. The USSR is the biggest customer for Czechoslovak equipment. Between 1981 and 1985 we delivered to Soviet customers almost 13,000 construction and road building machines, consisting mainly of the UN 053 loader, universal finishing machines, stream rollers and concrete manufacturing equipment.

Reports have also increased significantly of Vachta housing units by a factor of more than 4 over the past 5 years. Over the same period exports of steel buildings increased by more than a factor of three. Housing complexes currently offer hotel type accommodations to more than 60,000 workers in various locations in the USSR. In addition to being equipped with health care facilities, their major advantage is that they can be rapidly assembled and disassembled even under demanding field conditions. The Vachta housing complexes are currently functioning reliably under temperature extremes down to 56 degrees below zero Celsius in western Siberia, where they are used at construction sites for crude oil and natural gas pipelines.

Since the end of the 1970s Strojexport has also provided these regions with crude oil pumping stations. The CSSR is one of only three countries in the world that manufactures these stations. These pumping stations are being delivered to the European regions of the USSR, the Caucasus, and to Kazakhstan and are placed at 100-200 kilometer intervals along major crude oil pipelines. In the Seventh 5-Year Plan the Czechoslovak Freight Car Works, concern enterprise, in Poprad manufactured numerous BMPNS model pumping stations for the USSR, and also began to export pumping stations for liquefied gas and other equipment for the Soviet crude oil and natural gas industries.

We are also involved in the construction of an integrated facility for processing nickel ore in Cuba, a joint project with other CEMA countries.

[Question] How has Strojexport been performing in the markets of nonsocialist countries?

[Answer] We are always interested in trade with nonsocialist countries whether it involves deliveries of equipment or the export of construction or geological services. In the Seventh 5-Year Plan we exported goods valued at Kcs 4.5 billion to nonsocialist countries.

We export construction and road building equipment, small loaders, steam rollers, and medium capacity hydraulic excavators to Great Britain, France, the Netherlands, Greece and the scandinavian countries. Countries in Africa, Asia and Latin America also use Czechoslovak construction equipment. We export Desta forklift vehicles manufactured by the Desta Heavy Engineering Works in Decin to almost all European countries. These machines are performing well under difficult operating conditions in African and Asian countries. We are also successfully exporting mining equipment, in part because we have some machines with state of the art parameters. Czechoslovak geological and geophysical instruments are also in many instances state of the art and enjoy an excellent reputation with geologists worldwide. We currently export them to Australia, Canada, France, Japan, and the FRG and we have received inquiries from potential customers in the USA.

During the Seventh 5-Year Plan we also initiated production and deliveries of two giant model ZP 6700, overburden removing machines for the Ptolemaios surface mines in Greece. This project is part of a cooperative agreement between Czechoslovakia, France and Greece.

Strojexport is one of the most active, Czechoslovak firms in production cooperation agreements with firms from nonsocialist countries. Production cooperation agreements are in place with firms from the FRG, Austria, France, Great Britain and the Netherlands, in addition to other countries, and are focused in the areas of construction and road building equipment, concrete production equipment, heating and pneumatic technology equipment and the production of equipment for reprocessing solid urban wastes. The Eighth 5-Year Plan includes plans for expanding on existing areas of cooperation, especially construction equipment, pneumatic equipment, measurement and regulation instruments, and equipment for surface mining operations.

[Question] Increasing exports of construction work was an important task of the Seventh 5-Year Plan. How well did you do?

[Answer] During the Seventh 5-Year Plan, Strojexport faced demanding tasks in the export of construction work. In 1981 alone we were able to increase the value of construction work exported to Third World countries by a factor of 2.5 over the figure for 1980. We also fulfilled planned targets for each year of the plan for both socialist and nonsocialist countries. Most of our efforts in relations to nonsocialist countries were concentrated in North Africa and the Middle East. In addition we cooperated with partners from the FRG in exporting prefabricated components for industrial facilities. One major construction project was the building of 350 kilometers of reinforcing grid for a road in Libya, where we also built 1,200 housing units in the capital city.

We are heavily involved in Iraq. For several years Slovak construction firms have been building an irrigation project on a 12,000 hectare area in the Abu Ghraib region. Workers of the Prague Water Construction firm worked extensively on the foundations and pile driving work on the Jadiriah bridge in Baghdad, Iraq, and on the grouting of dams in Algeria. We have also rebuilt a tunnel in Iraq and built a smokestack for the Homs refinery in Syria. In recent years Czechoslovak builders have also rebuilt water towers in Kuwait which we originally built in the 1960s and which remain an example of the art of construction.

[Question] Of what importance for the national economy are the import activities of your firm?

[Answer] Strojexport's imports in the Seventh 5-Year Plan involved mainly machinery and equipment that was not included in our own production program but which were essential for the economy. In particular, they involved heavy construction equipment and construction related machinery for construction and power generation. Most of it is imported from the USSR. We procure large numbers of passenger cars each year for the Czechoslovak State Railways from the GDR and Poland. Through production specialization and cooperation agreements within the CEMA we obtain drilling and other equipment for work in subsurface mines. Our largest supplier is the USSR. Bulgaria is an important supplier of specialized lifting and handling equipment. During the Seventh 5-Year Plan we purchased from West European firms heating and air conditioning equipment for the National Theater and equipment for the production of Skoda passenger cars for the Mlada Boleslav Automobile factories, national enterprise.

In the past 5-Year Plan Strojexport also served as general contractor for the new Panorama Hotel in Prague. We also signed a contract in 1985 for the construction of the Congress Hotel in Prague 4 near the Palace of Culture. We built a factory for the production of color picture tubes in Valassky Mezirici for the Czechoslovak electrical engineering industry. In conjunction with Hungarian firms we are currently building a facility for the utilization of coal gangue in Ostrava.

[Question] What are your objectives for the Eighth 5-Year Plan?

[Answer] The Main Objectives for the Socio-Economic Development of the CSSR between 1986 and 1990 mandate an increase in machinery and equipment sales for the foreign trade as a percentage of total foreign trade revenues and a concurrent increase in foreign trade efficiency. These will also be the objectives of Strojexport. We will not be able to meet these objectives without close cooperation with our suppliers and customers. With this in mind we have signed agreements with our major suppliers aimed at assuring machinery export targets by improving operational efficiency. In addition, we have formed a working group with senior managers of the Martin Heavy Engineering Works that will review regularly the fulfillment of tasks established by the joint cooperative program and deal with serious operational problems related to export deliveries. These would include the standards that must be met in foreign trade, service expectations of customers, etc. We would like to expand this type of cooperation to include other production partners.

We also expect further increases in trade with socialist countries in the Eighth 5-Year Plan and improvements in specialization and cooperation agreements with CEMA member countries. Significant increases are expected in deliveries of traditional and new commodities to the USSR.

We will devote more attention to the export of machinery and equipment to nonsocialist countries, where the situation is complicated by limits on investment activities and reduced marketing opportunities. This unfortunate reality has an impact on our enterprise in two of our exported items--construction equipment and construction work. Should the marketing situation improve, we will devote considerable effort to increasing sales of our products and services in the industrially developed nonsocialist countries and the Third World.

[Interviewer] Thank you for your time.

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ECONOMY

HUNGARY

## REAL ESTATE TAXES: SIGNIFICANT CHANGES DETAILED

Budapest NEPSZAVA in Hungarian 30 Sep 86 p 5

[Article by Andras Deak: "Fewer People Will Pay, But Those Who Pay, Will Pay More"]

[Text] A recent Order issued by the Presidential Council pertains to real estate taxes. The Order has the force of law and will go into effect on January 1, 1987. At a press briefing Monday morning, Deputy Finance Minister dr Laszlo Bekesi discussed key provisions of the act. An increase in revenues has not been the aim of the new provisions, Bekesi emphasized. This is demonstrated by the fact that under present rules 1.6-million families pay a total of 290-million forints in real estate taxes. Under the new rules only 230,000 homes will be subject to real estate taxes. Due to various exemptions and reductions, only 140,000 of these will be actually paying real estate taxes in 1987. True, in the aggregate they will pay substantially more than what has been collected before. As compared to today's real estate taxes, the tax on a 200-220 square meter residence may increase by as much as ten-fold. According to preliminary estimates, however, the total excess tax revenue amounts to 25-30-million forints only.

### Exemptions, Reductions

The Order is a result of a compromise, according to the deputy minister. Legislators, on the one hand, have aimed at making the application of the principles of property taxation more consistent. More accurately stated, those whose property is worth more than the average property, should defray a proportionately larger share of the public burden. The regulatory provisions, on the other hand, avoid discouraging anyone interested in utilizing his own resources to build.

Of utmost importance are the limits of tax exemption spelled out in the new Order. The average area of individually owned residences in Hungary is 62 square meters. Eighty percent of the total of 2.8-million residences in Hungary is less than 80 square meters in area. The order provides full tax exemption for residences up to 80 square meters in multi-family dwellings, and up to 100 square meters in one- and two-family dwellings. It is important to

know that tax exemption, or, alternatively, the amount of real estate tax to be paid, is a function of not only the size of dwellings, but also of the number of closely related people sharing a dwelling. In any event, residences up to 25 square meters per person will be tax exempt, irrespective of the total area of living space. Thus, for example a 150 square meter dwelling occupied by a family of six is tax exempt. A family of five in that same dwelling would pay taxes on 25 square meters of residential space only.

Considering the overall interests of the people's economy with respect to the preservation of residential taxes, the new provisions grant tax reductions for owners who renew, repair, modernize or connect public utilities to their properties. In the event that the investment amounts to more than 25,000 forints, 75 percent of that amount will constitute a tax write-off. Those who share in, or contribute to public utilities, as well as those, who from their own resources build new residential dwellings are also entitled to tax reductions. At present, residential dwellings financed through mortgage loans are tax exempt. This means tax exemption for a period of 25 to 30 years. Beginning on January 1, 1987 this exempt status will be limited to a ten year period. Exemptions acquired prior to that date will remain in effect for the entire 25 to 30 year terms of existing mortgages, except with respect to individuals whose residences are excessively large, such as those in excess of 180 or 200 square meters.

#### Revenues of the Council

Considering larger societal interests with respect to the preservation of historic buildings, only 50 percent of the area in excess of 80 or 100 square meters in buildings so designated will be subject to real estate tax. Generally speaking, by virtue of their historic character these buildings contain large area dwellings.

As to specific tax rates, the following taxes will have to be paid in one- and two-family dwellings for areas exceeding 100 square meters, or, alternatively, in multi-family dwellings for areas exceeding 80 square meters:

- (1) Excess residential space of less than 40 square meters in area will be taxed at a basic annual rate of 80 forints per square meter in cities, and 40 forints per square meter in municipalities.
- (2) Excess residential space of more than 40 square meters, but not more than 100 square meters in area, will be taxed at a flat basic annual rate of 3200 forints in cities and 1600 forints in municipalities. A surcharge of 120 and 60 forints per square meter in cities and in municipalities respectively, will be levied for each square meter of area above 40 square meters.
- (3) Excess residential space larger than 100 square meters will be taxed at a flat basic annual rate of 10,400 forints in cities, and 5200 forints in municipalities. A surcharge of 180 and 90 forints per square meter in cities and in municipalities respectively, will be levied for each square meter of area above 100 square meters.

The above [table] indicates that taxes increase progressively: substantially more taxes must be paid after residences that are much larger than the average.

An important provision of the Order permits councils to increase the basic annual tax rate by up to 40 percent, or decrease it by up to 90 percent, after taking into consideration various features of individual properties, such as location, extent of available services, etc. In any event, the amount of real estate tax may not be less than 300 forints, however.

Garage facilities attached to, or detached from residential dwellings will be taxed pursuant to legal provisions that pertain to the taxing of non-residential real property. Compared to tax provisions that relate to garages attached to recreational facilities, or to garages built on recreational lots, the difference with respect to "residential garages" is that 16 square meters will be tax exempt with a minimum tax of 400 forints. (With respect to "recreational garages" 12.5 square meters of the area is tax exempt with a minimum annual tax of 500 forints.)

Responding to NEPSZAVA's reporter dr Bekesi stated that beginning in 1987, real estate taxes paid pursuant to the new rules will constitute revenues for local councils. Accordingly, if for example a city or a municipal council decides to increase the taxes on a piece of real estate by 40 percent over and above the tax rate specified in the Order, the excess revenue thus obtained cannot be impounded for state budgetary purposes. (The public reaction that may be evoked by such excess revenues in various settlements is yet another question. This must be taken into consideration by individual council members.) In the event that a council decides to decrease taxes, and this they may do up to 90 percent of the centrally prescribed amounts, the council will decrease its own revenue. It must be emphasized, however, that real estate taxes do not represent determinative revenues for councils. Overriding socio-political considerations may justify the establishment of conditions and income criteria that could result in reduced taxes with respect to individual property owners. Councils may altogether waive the requirement for the payment of taxes. It is conceivable that a given real property is larger than the average real property in the area, but the owner's income is modest.

#### **The Provisions Do Not Apply To Those Who Rent**

The new provisions apply only to individually owned residential dwellings. Just as before, they do not apply to individuals who rent residential dwellings provided by councils. According to the Ministry's calculations, the maximum tax to be levied does not exceed one half of one percent of the average value of real properties, and therefore, under no circumstances is the tax to be viewed as excessive. It is conceivable that beginning in 1987, the amount of real estate tax revenues collected by individual councils will vary substantially. After all, particularly valuable, large area dwellings cannot be found uniformly throughout the country. Preliminary figures indicate that of the 230,000 taxable real properties more than 40,000 are located in the City of Budapest, some 78,000 in other cities, and the rest in various municipalities. By virtue of objective circumstances the tax revenues of certain councils may show a substantial decrease as compared to those of other councils. In such cases the financial authorities will find ways to

compensate for resultant shortages. The deputy minister once again reiterated the fact that excess tax revenues of councils will not be impounded by the state.

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**Tax Table**

	<u>Basic Annual Tax Rate</u>	
	<u>City</u>	<u>Municipality</u>
1. If the excess area is not larger than 40 square meters	80 Ft.	40 Ft per square meter
2. If the excess area is larger than than 40 square meters, but does not exceed 100 square meters	3200 Ft and 1600 Ft, and 120 Ft and 60 Ft per square meter for the area exceeding 40 square meters, up to 100 square meters.	
3. If the excess area is larger than 100 square meters	10,200 Ft and 5200 Ft, and for the area exceeding 100 square meters, 180 Ft and 90 Ft per square meter.	

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ECONOMY

POLAND

#### MARITIME INDUSTRIES 1985 PERFORMANCE RECORD SUMMARIZED

Berlin SEEWIRTSCHAFT in German No 8, Aug 86 pp 401-407

[Article by Dr C. Wojewodka: "Poland's Maritime Industry in 1985"]

[Text] In 1985, Poland's economic development did not quite reach the same performance level of the previous 2 years. National income rose by only 3 percent as compared to the previous year (by 5 percent in 1984), and industrial production was 3.8 percent above the previous year (5.3 percent in 1984). Foreign trade was able to record a relatively large increase in imports (+6.8 percent), yet exports rose only slightly (+1.7 percent). Since the rates of increase in foreign trade with nonsocialist countries were lower last year (exports -3.8 percent, imports +6.1 percent) than with the socialist countries (exports +7.7 percent, imports +5.8 percent), foreign trade via ocean transport also declined since almost 90 percent of it comes from traffic with the nonsocialist countries. Thus, the transshipping volume in the ports and the transport output of the merchant fleet likewise declined. Shipbuilding production and the fishing catch volume also declined somewhat.

#### Goods Traffic by Sea

Foreign trade by sea last year was 42.6 million tons, thus 3.8 million tons (-9.2 percent) lower than the previous year. Exports by sea declined by 13 percent to 29.5 million tons, corresponding imports rose by 6 percent to 13.1 million tons. The share of goods traffic by sea in the totality of foreign trade traffic reached 39.9 percent (40.8 percent in 1984), of which 52.5 percent was in exports (54.7 percent in 1984) and 24.6 percent in imports (24.2 percent in 1984).

Almost all goods show a decline in exports by sea. Exports of coal and coke with 21.2 million tons were 16.4 percent lower than last year, sulfur with 2.1 million tons 7.6 percent, wood with 1.4 million tons 7.2 percent, sugar with 0.2 million tons 33.1 percent and iron and steel with 0.9 million tons lower by 10.6 million tons. By way of contrast, 7.9 percent more cement (0.6 million tons) was exported. Imports by sea for the most part show an increase. Ores rose 4.4 million tons (+3.2 percent), mineral oils to 0.8 million tons (+8.1 percent), crude fertilizers to 3.5 million tons (+14.7 percent). Only grain and feed imports declined by 15 percent to 2.5 million

tons. Transit traffic through Polish ports also declined last year by 2.4 million tons to 5.3 million tons (-31.5 percent). Thus, the total volume of goods in the seaports and in ocean shipping was lower.

#### Ports

Overall transshipping of goods in Polish ports last year reached 50.1 million tons, that is 11.3 percent less than in 1984 (Table 1). Except for grain and various bulk cargoes, transshipping in all kinds of goods declined. Grain traffic rose by 2.5 percent to 2.9 million tons, transshipping of various bulk cargoes by 3 percent to 7.5 million tons, including phosphate and apatite by 4.4 percent to 3.7 million tons. In contrast, coal traffic declined by 17 percent to 21.8 million tons, transshipping of iron ore declined by 3.2 percent to 5.8 million tons, mineral oil and products by 37.1 percent to 2.9 million tons, wood by 7.2 percent to 1.7 million tons and mixed cargo by 2 percent to 7.3 million tons.

The share of container traffic (about 97,000 TEU with 831,000 tons, 2 percent less than in 1984) is the total volume of mixed cargo amounted to 11.3 percent and reflects no change vis-a-vis 1984. Moreover, 275,000 tons of palletized mixed cargo (-6.8 percent) and 1,432,000 tons of packaged wood (-12.4 percent) were transshipped.

For all transshipping, exports were 107.5 percent higher than imports, and the share of exports in total traffic was 67.5 percent (excluding coastal and inland waterway traffic), thus 4.3 percent less than last year.

Polish transshipping in foreign trade last year declined to 43.5 million tons (-8.4 percent); its share in total transshipping was 86.8 percent. Transit traffic decreased by 31.5 percent to 5.3 million tons, which was mainly due to the decline in USSR oil transit. Thus, the share of transit traffic in total traffic declined to 10.6 percent. The share of coastal and inland waterway traffic in total port transshipping was 2.6 percent (1.3 million tons).

In transit transshipping in Polish ports (Table 2) in 1985, the CSSR with 2.1 million tons (-21.4 percent) was again in first place. Hungary reached 897,000 tons (+5.5 percent), Austria 884,000 tons (-9.9 percent). USSR transit declined from 2.6 million tons in 1984 to 804,000 tons last year (-69.7 percent) which could be attributed to the lower deliveries of oil to West European countries. GDR transit traffic increased again, specifically from 113,000 tons in 1984 to 208,000 tons last year (+84.1 percent). Transit traffic in Polish ports continues to show a favorable structure in respect to kinds of goods--the share of mixed-cargo traffic eas almost 44 percent in 1985, but only 14.7 percent of total port transshipping.

Of the individual ports, only the small ports of Kolobrzeg and Darlowo achieved an increase in transshipping (by 4.4 percent and 27 percent, respectively) which, however, did not play any particularly large role in their total transshipping of only 294,000 tons. The large ports all show declines in transshipping. In Gdansk, transshipping decreased by 3.5 million

tons (-12.3 percent) to 18.1 million tons. The share of this port in total Polish port transshipping amounted to 36.2 percent, coal 41.6 percent, wood 54.6 percent, grain 25.3 percent, other bulk cargoes 55.1 percent, mixed cargo 15.7 percent, mineral oil 69.6 percent. Utilization of the north harbor in Gdansk again declined; overall, 9.481 million tons were transshipped there, almost 3 million tons less than last year. Coal transshipping there amounted to 7.6 million tons (-13.7 percent), mineral oil transshipping 1.8 million tons (-48.2 percent). In this, the decline in USSR oil transit activity was noticeable (from 2.6 million tons in 1984 to 0.8 million tons in 1985, that is, -69.7 percent).

At the special facility for sulfur, 2.1 million tons were transshipped (-6.5 percent), including 693,000 tons as liquid sulfur. Grain transshipping rose by 34.6 percent to 747,000 tons, phosphate and apatite increased by 8.9 percent to 1.6 million tons. Container transshipping continued low with 16,000 tons.

Transit transshipping in Gdansk with 1,269,000 tons declined by 59.4 percent; the share of transit in total port transshipping declined to 7 percent and in total transit traffic of Polish ports to 23.9 percent. The following countries were involved last year in the transit transshipping in the port of Gdansk: USSR: 804,000 tons (-69.7 percent); CSSR: 311,000 tons (-7.2 percent); Hungary: 804,000 tons (-5.1 percent); Austria: 27,000 tons (+17.4 percent); GDR: 17,000 tons.

In Gdynia, transshipping with 10.7 million tons was down by 0.6 million tons (-5.2 percent) from 1984. In total Polish port transshipping, the share of this port was 21.3 percent, for coal 16.4 percent, ores 31.6 percent, grain 44.7 percent, mixed cargo 43.3 percent. Ore transshipping rose by 17.1 percent to 1.8 million tons, mixed-cargo transshipping by 1.4 percent to 3.2 million tons.

As the largest Polish mixed-cargo port, Gdynia also has the highest level of container transshipping--last year it was 82,659 TEU (719,000 tons), 3.9 percent less than in 1984. In the first quarter of 1985, container transshipping was shifted from the old makeshift terminal at the Polskie wharf to the new terminal at the Helskie wharf where 694,000 tons of container cargo were processed; that is, 96.5 percent of the total container transshipping in the port of Gdynia. Completion of the new container terminal is being continued. Accordingly, the wharfage for container ships in LO/LO [lift-on/lift-off] traffic is to be increased to 1,080 meters. Moreover, 3 berths for ships with 2,000 TEU each are being built there. The construction of a second RO/RO [roll-on/roll-off] facility is also planned. This will expand capacity to about 200,000 TEU in 1990. Today's capacity of the terminal is about 100,000 TEU per year, but it is not fully utilized. The daily volume is a maximum of 2,100 TEU. It is anticipated that in 1990 container transshipping will increase to 150,000 TEU and in 2000 to 200,000 TEU. This year the container terminal in Gdynia is receiving an automatic control system, among other things for container handling (Olivetti SP 644 with 2 million bytes in place of the Datapoint 2000 system with 48,000 bytes).

Last year the two ports of Stettin and Swinoujscie had a 2.3 million ton decrease in transshipping to 21 million tons (-9.8 percent). They had a 41.9 percent involvement in the total of Polish port transshipping, 42 percent in coal transshipping, 44.2 percent in wood transshipping, and 39.1 percent in mixed-cargo transshipping. Only the transshipping of apatite and phosphate increased by 8.9 percent to 2 million tons. Coal transshipping declined from 19.8 million tons to 9.2 million tons, ore transshipping by 6.3 percent to 4 million tons. Other kinds of goods showed only modest declines (by 1 to 3 percent). In Swinoujscie 9.3 million tons were transshipped, that is, 44.4 percent of the total traffic of the two ports. This included 4.6 million tons of coal, 1.2 million tons of phosphate and apatite and 870,000 tons of ferried goods.

Container transshipping in Stettin-Swinoujscie rose by 7.9 percent with 13,330 TEU and 96,000 tons.

The largest part of the transit traffic in Polish ports is taken care of in the Stettin-Swinoujscie port group. Last year it amounted to 2,927,000 tons (-16.5 percent). The CSSR was involved with 1,153,000 tons (-16.5 percent), Austria with 857,000 tons (-10.6 percent), Hungary with 406,000 tons (+7.7 percent) and the GDR with 127,000 tons (+76.4 percent).

The Stettin-Swinoujscie port group still has the largest passenger volume of all Polish ports, primarily through the ferry port in Swinoujscie (connections with Ystad, Copenhagen and Travemuende). Last year 255,990 people (+6.8 percent) passed through Polish ports, including 200,797 (+12.9 percent) in Stettin-Swinoujscie, which equaled 78.5 percent of the total passenger traffic in Polish ports.

Polish ports last year were visited by 9,237 ships carrying 24,119 million NRT [net register tons]. These included 4,424 Polish ships with 12,377 million NRT (51.3 percent of the total ship traffic), and 4,813 foreign ships with 11,742 million NRT. Of the foreign flag ships, the USSR was most frequently represented with 1,657 million NRT, followed by Panama (0.929 million NRT), Sweden (0.820 million NRT), Finland (0.795 million NRT), Liberia (0.733 million NRT) and Greece (0.648 million NRT). The GDR was in 15th place with 163 ships and 265,540 NRT; of these, 29 GDR ships with 129,104 NRT visited Gdansk and 117 ships with 119,850 NRT Stettin.

Last year, investment in the Polish ports continued on a very limited scale. The completion of the container terminal in Gdynia which was mentioned above was continued, as was the construction of the new ore and coal transshipping facility in Swinoujscie (Swinoport IV). The port of Gdansk continues to seek partners to complete the ore transshipping facility in the north harbor which is to involve the tramp shipping company, Polish Steamship Company, from Stettin and interested foreign trade enterprises. This year an increase in port transshipping is anticipated again. It is expected to reach about 54 million tons. Transit traffic is also to increase again in addition to foreign trade. CSSR transit is to increase to about 2.6 million tons annually, according to agreements in February of this year with the CSSR.

## Ocean Shipping

By placing several ships into service last year it was possible to halt the downward trend in the development of the Polish merchant fleet. After the fleet's capacity rose in 1984 by ... percent, it increased last year by 5 percent (Table 3). Some 11 ships with 179,531 and 280,937 DWT were placed into service, including primarily bulk freighters: 4 of Polish manufacture with a total of 134,984 DWT, 3 from Argentina with 80,070 DWT and 1 from Bulgaria with 38,498 DWT. A RO/RO freighter of 4,014 DWT, a semicontainer freighter of 22,050 DWT and a passenger and automobile ferry of 4,775 GRT [gross register tons] were purchased as used ships.

Some 11 ships with 55,468 GRT and 84,193 DWT were taken out of service. Unfortunately, once again there was a total loss--a POL [Polish Ocean Lines] coastal motor ship sank in heavy seas in the North Sea with a loss of 24 lives. Since this involved a series ship and a ship of the same type sank in 1983 under similar circumstances, the other ships of this series were then subjected to extensive testing. Ships taken out of service last year represented less tonnage than ships coming into service, so that the number of ships increased to 278 and tonnage to 2,797,000 GRT (4,171,000 DWT). Thus, the capacity has again reached the 4 million level which it previously had in 1982 (4.6 million DWT).

Regular line tonnage was further decreased by the removal of 10 older ships. At the end of 1985 there were 125 ships with 1,010,915 DWT (-4.8 percent). The tramp fleet increased by 8.3 percent to 127 ships with 2,968,891 DWT. The fleet of the ferry and coastal motor ship company (Polish Baltic Shipping Co) remained unchanged with 13 ships (24,734 GRT and 15,144 DWT (the ferry mentioned above was purchased by the Polish Steamship Co and only chartered to the Polish Baltic Shipping Co). Finally, the tonnage of the Chinese-Polish Shipping Co was enlarged by acquiring a used ship, raising the total to 13 ships with 113,765 GRT and 176,225 DWT (+14.4 percent); concerned here are only ships of this shipping company with the Polish flag (it also has ships under the flag of the PRC).

There were no especially large changes in structure in respect to types of ships in the Polish merchant fleet. The dry-cargo freighter tonnage with 260 ships and 3,614,000 DWT constitutes the major part with a share of 86.6 percent and an increase over 1984 of 5.8 percent. These included 83 bulk-cargo freighters with 2,290,000 DWT (+11 percent) and 39 container, semicontainer and RO/RO ships with 443,000 DWT (+2.5 percent). The tanker fleet with 9 ships and 538,000 DWT remained unchanged, as did the passenger fleet with 1 ship and 15,000 GRT. The ferry fleet now has 8 ships with 41,000 GRT (+13.9 percent).

Compared with 1984, it was possible to lower the average age of the Polish fleet by only 0.1 year, thus to 10.4 years; in the regular shipping fleet it remains unchanged at 12.6 years, in the tramp fleet at 9.7 years, in the ferry and coastal motor ship fleet at 20.8 years. The share of ships under 5 years of age amounts to 22.3 percent in the entire fleet, between 6 and 10 years it is 28.0 percent, between 11 and 15 years 30.7 percent, and 20 years 14.3 percent, between 21 and 15 years 3.6 percent and over 25 years 1.1 percent.

At the end of 1985, 24.2 percent of Polish tonnage (in DWT) belonged to the enterprises and associations of regularly scheduled shipping, 71. percent to the enterprises and associations of tramp shipping, 4.2 percent to the Chinese-Polish Shipping Co and 0.4 percent to the Polish Baltic Shipping Co (coastal and ferry shipping).

In contrast to fleet development, the transport capacities of Polish shipping last year declined to 31.9 million tons, that is, by 9.7 percent; transport capacity declined in ton-miles by 8.9 percent to 95,093 million. Some 21.8 million tons (-6.3 percent) of Polish foreign trade goods and 2.2 million tons (-13.3 percent) of transit goods were transported. The transports between foreign ports amounted to 7.9 million tons (-17.2 million tons), that was 24.8 percent of all transports, which continues to reflect a high share (Polish foreign trade 68.3 percent, transit 6.9 percent), and contributed to efficient utilization of the fleet.

In regularly scheduled shipping last year, 5.8 million tons were transported (-8.4 percent), in bulk cargo 26.1 million tons (-10 percent).

As far as individual kinds of goods are concerned, only grain traffic with 2.7 million tons (+27.1 percent) showed an increase. Other kinds show a decline: coal by 17.2 percent to 9.4 million tons, ores by 5.3 percent to 4.66 million tons, other bulk cargoes by 3.2 percent to 4.9 million tons, mixed cargo by 3.5 percent to 6.4 million tons, wood by almost 60 percent to 32,000 tons, and liquid cargoes by 25.7 percent to 3.9 million tons.

Last year, container transport was 1,757,000 tons (-7.6 percent). Even the transport of other cargo units, for example goods on pallets, decreased by 8.2 percent to 234,000 tons. In this connection it is noteworthy that the container traffic of the Polish fleet was 111 percent higher than the transhipping of containers in Polish ports; that is, a large part of the containers were transported between foreign ports. Among other things, this is linked with the fact that the container line to the United States and also the RO/RO line to Australia are active for the most part only to and from Bremerhaven and Hamburg because of insufficient cargoes; the traffic with Gdynia--except for some direct trips--is handled by tenders.

Overall, the Polish fleet last year transported about 50 percent of Polish foreign trade goods in ocean traffic (1984: 48 percent). In passenger traffic the transport capacities last year rose by 5.4 percent; however, in transport costs (in passenger miles) they declined by 10.4 percent. A total of 296,400 people were transported, 233,700 of them on ferries (short routes), 10,100 by the passenger ship Stefan Batory, and 12,600 on freighters.

Completion of the Polish merchant fleet, primarily the scheduled fleet, continues with delays. This is mainly caused by small deliveries by the Polish shipbuilding industry, which until recently produced more than 90 percent for export.

Last year the situation in tramp shipping improved, since four-bulk cargo ships produced in Poland were placed into service; the construction of additional ships is also planned. In contrast, deliveries of scheduled freighters for the Polish Ocean Lines have been delayed, and the first ship in several years (a semicontainer freighter of 14,000 DWT) was not delivered until mid-1986. Last year the POL was able to purchase abroad only 1 used RO/RO ship with 4,000 DWT.

The Polish Ocean Lines has ordered a total of 16 ships with a total of 218,000 DWT from Polish shipyards (8 semicontainer freighters with 14,000 DWT, 5 RO/RO freighters with 7,500 DWT, and 3 container freighters with 22,800 DWT) which are to be delivered by 1990. However, about 30 ships with 330,000 DWT are required, since otherwise additional scheduled connections will have to be given up and foreign ships will have to be used to transport the mixed cargoes of Polish foreign trade. In railroad ferry traffic, a new ferry which is being built in Sweden is supposed to be put into operation in 1987.

Because of the inadequate growth in tonnage in the past few years, the POL had to reduce the number of its scheduled connections to 24 (previously more than 30). Now there are 14 overseas lines and 10 European connections. Also, the number of employees declined at the beginning of 1986 to 9,000 people, including approximately 6,800 ship crew members.

Only three POL lines have modern ships in use to North America, Australia and Great Britain. An additional 21 lines have antiquated tonnage which decreases opportunities to compete with other shipping companies. Moreover, on most of the lines the number of departures had to be decreased as did the number of ports of call.

The Polish tramp fleet has planned to purchase 15 bulk cargo freighters with about 700,000 DWT by 1990. This year, 3 ships with 32,800 DWT from domestic production and the last 2 bulk-cargo freighters with 61,000 DWT from Argentina will arrive. Starting in 1987 the Stettin shipyard will deliver 5 bulk-cargo freighters with 33,500 DWT, and 3 ships with 26,300 DWT will be coming from Turkey. Moreover, the purchase of 2 oreboats with about 120,000 DWT is planned, which, however, is closely related to the completion of the transshipping facility for ores in the north harbor of Gdansk.

#### Shipbuilding and Ship Repairs

Last year there was a further decline in shipbuilding production. Deliveries could have been larger if several Western shipowners had not delayed acceptance of finished ships in order to get a lower price or even to get out of the contract. Last year 41 ships with 264,014 GRT (-23.7 percent) and 343,062 DWT (-29.3 percent) were built in Polish shipyards (Table 4). The value was 1.6 percent higher than in 1984 and amounted to 105 billion Polish zlotys.

Of the large shipyards the Warski Shipyard, Stettin, achieved the largest production (135,684 GRT), followed by the Lenin Shipyard, Gdansk (92,200 GRT), and the Paris-Commune Shipyard, Gdynia (26,900 GRT).

In terms of structure, dry-cargo freighters with 189,302 GRT and 272,210 DWT have the largest share. These included 6 bulk-cargo freighters with 130,332 GRT and 200,100 DWT and 5 different mixed-cargo freighters with 58,970 GRT and 72,110 DWT. The mixed-cargo freighters comprised, among other things, a semicontainer ship with 19,555 DWT, RO/RO freighters with 18,000 DWT, and refrigerated ships with 7,500 DWT. Further, a tanker with 26,500 GRT and 47,400 DWT was built, as were a passenger and automobile ferry with 6,682 GRT, 9 different ships for fishing (a transport ship with 2,300 DWT, a catching and processing ship of 3,000 GRT, and 7 prawners of 240 GRT each). Additional new construction included 10 supply tugs of 2,100 and 2,200 GRT, respectively, 4 crane ships of 1,400 GRT each and 3 fire-fighting ships of 2,300 GRT each (all for the USSR's shelf program, thus for the offshore sector), a double-hull coastal passenger ship with 650 GRT, and a sailing research ship with 500 GRT. In 1985 the first ships of the following types were delivered:

--bulk-cargo freighter with 29,000 DWT (for Finland),

--crane ships with 1,400 GRT (for the USSR),

--sailing research ship of 500 GRT (for Poland).

Beyond that, construction was begun on other new types of ships such as research ships for the USSR's offshore sector and bulk-cargo freighters for Brazil, the first of which will be delivered in 1986.

The share of exports of Polish shipbuilding last year declined to 66.8 percent (1984: 99.4 percent), because for the first time in several years more tonnage was again built for Polish shipping companies. Exports amounted to 35 ships with 176,282 GRT (-48.5 percent) and 209,062 DWT (-56.7 percent). The number of export countries shrank to 6 (1984: 12). The USSR had the largest share with 39.2 percent, followed by the FRG (16.4 percent), Cyprus (15 percent), France (14.2 percent), Finland (11.4 percent), and Turkey (3.8 percent).

In terms of value, exports reached 62.5 billion zlotys (-12.9 percent). Exports to socialist countries (ships, ship's equipment and the like) produced R460 million, 25 percent more than in 1984, ships with a value of \$94 million were sold to nonsocialist countries, corresponding to only 41 percent of the income from 1984.

For the Polish fleet, ships with 87,732 GRT and 134,000 DWT were built (last year only 1 ship with 1,900 GRT and 2,300 DWT). These include 4 bulk-cargo freighters (131,200 DWT), a fishing transport ship (2,300 DWT), and a sailing research ship (500 GRT) for the Polish Academy of Sciences.

The lull in world shipbuilding resulted an alteration of production in Polish shipyards, something which may well become even more noticeable in the next few years.

In the current 5-year period (1986 to 1990), the Polish shipyards are to build more than 300 ships with 1.5 million GRT (Value approximating 400 billion zlotys). Exports, primarily to the USSR, will continue to dominate in this.

Last year a large shipbuilding agreement between Poland and the USSR on ship deliveries, repairs and the like for the period 1986 to 1990 was concluded. According to it, Poland will deliver and provide ships, repairs, and so forth, for about R3.2 billion for the USSR. The ship deliveries are to include 286 ships in 37 designs and about 55 percent of all Polish shipbuilding production. In connection with this agreement, corresponding agreements on the construction of individual ships types were also concluded. Overall, by March of this year the total was 151 ships with a total value of R1,350 million. Among other things, contracts were signed for the following ships:

--7 harbor and shipping tugs from the Gdynia Naval Shipyard

--7 pusher tugs of the Koziorozec type from the Odra Inland Shipping Shipyard, Stettin (for USSR fishing in the Caspian Sea)

--5 type B 98 fire-fighting boats from the North Shipyard, Gdansk (extending the series already built)

--5 passenger ships to transport people (150 persons) to and from drilling rigs and the like, from the Paris-Commune Shipyard, Gdynia

--4 type B 408 catching and processing ships from the Lenin Shipyard, Gdansk (extending the series already built)

--2 type B 810 sailing training ships from the Lenin Shipyard, Gdansk (in addition to the 2 ships of this kind which were previously ordered)

--14 wood freighters with 7,700 DWT from the Lenin Shipyard, Gdansk

--22 harbor and shipping tugs for fishing from the Ustka Shipyard

--14 harbor and shipping tugs from the Odra Inland Shipping Shipyard, Stettin

--5 harbor fishing ships for canning production from the Lenin Shipyard, Gdansk.

Beyond that, the Warski Shipyard in Stettin will begin construction of large passenger ships (vacation ships) for the USSR (6 ships for 750 and 1,500 persons), the Lenin Shipyard in Gdansk will build more R0/R0 freighters and refrigerated ships, and the other shipyards will continue to build seiners, supply tugs, research ships, crane ships, among others. Contracts for individual series run into 1993.

By 1990, Polish shipyards plan to build approximately 470,000 GRT (about 25 percent of total production) for the Polish merchant and fishing fleets.

Roughly 20 percent of the total production is destined for nonsocialist countries; it includes among other things as bulk-cargo freighters for Brazil (29,000 DWT) which are being built by the Paris-Commune Shipyard in Gdynia; a catching and processing ship (94 m long) for the Netherlands from the Lenin Shipyard, Gdansk; and 2 trawlers, likewise for the Netherlands, from the Nauta Repair Shipyard, Gdynia. The Gryfia Repair Shipyard in Stettin will build a trawler for Iceland.

Although the Polish shipbuilding industry at present cannot fully utilize the shipyard capacities because of insufficient workers (1985: 53,600), shipbuilding production will be higher this year than in 1985, partly because of the delivery of ships which were not accepted last year by capitalist shipowners and for which new buyers had to be found. Overall, 56 ships with 532,500 DWT are to be delivered. These include 7 ships with 115,700 DWT for Polish shipping companies, 43 ships with 154,300 DWT for socialist countries, and 6 ships with 262,500 DWT for nonsocialist countries.

Last year in the ship repair yards, 709 ships with 1,940,500 GRT were overhauled (only current general and dock repairs and ship rebuilds). This was 63 ships more, but 101,900 GRT (-5 percent) less than 1984. With between-cruise and breakdown repairs the total was 3,146 ships, 51 ships more than 1984; these included 526 foreign ships, which involved 260 ships with 710,400 GRT in ongoing, general and dock repairs. Compared to 1984 the scope of repairs of foreign tonnage declined by 186,100 GRT.

The repair shipyards being further expanded, since the repair requirements of the Polish fleet are still not met and the capacities for foreign ship-owners are also to be increased. The USSR provided the Polish repair shipyards with a credit amounting to R200 million in the form of equipment and material deliveries; it is to be repaid by repairs.

Renovation of the dock facilities in the shipyards was also started. A floating dock with a capacity of about 40,000 tons for ships up to about 80,000 DWT was ordered in the FRG for the Gdansk repair shipyard at a cost of DM50 million. Now, even the largest bulk-cargo freighters of the Polish fleet can be repaired at home. The Gdansk repair shipyard is also to receive a dock for ships up to 30,000 DWT in the next few years and the Stettin repair yard one for ships up to 40,000 DWT. Seven floating docks are soon to be taken out of service.

#### Fishing

Because of the small investments in the fishing fleet, the catch volume in Poland has declined somewhat in the last few years. Also, difficulties with access to the rich fishing grounds which are located inside foreign fishing zones were of no small importance. The catch volume in 1985 declined to about 651,000 tons (-4.3 percent). Fishing in the Baltic Sea achieved about 179,000 tons (27.5 percent) of this, and long-distance fishing 472,000 tons (72.5 percent). Compared to 1984, the catch volume in the Baltic Sea decreased by 6.3 percent, in long-distance fishing by 3.5 percent.

By way of larger units, the fishing fleet has received only 2 refrigerated transport ships of 2,300 DWT from Polish production. Other fishing ships were taken out of service because of their advanced age, this resulted in a decline in the total tonnage of the fishing fleet.

The domestic market received 256,900 tons of fish and fish products (+0.4 percent). In the next few years fishing in the Baltic Sea will be given more attention, since Poland still has unused catch quotas here and the fish can be caught more cheaply than in long-distance fishing. Last year 14 small trawlers (28.9 m long) were ordered from the Ustka Shipyard for Baltic Sea fishing; they are to be put into service by 1990.

Six refrigerated transport ships with 5,500 DWT which are to support the catching ships were ordered for long-distance fishing from the Lenin Shipyard, Gdansk. The construction of large catching ships for long-distance fishing has not yet been finally decided on. Since in the next few years about 40 large catching ships are to be taken out of service, there will be a comparable demand for new ships, but only about 15 ships are to be built in Poland, the rest are to come from abroad.

(1) Güterarten und Häfen	1984		1985		(10) Veränderung 1985:1984 in %				
	(2) Ins- gesamt	(3) Ein- fahrt	(4) Aus- fahrt	(5) Kosten- und Binnenz- verkehr					
(11) Insgesamt Güterarten	36513	15913	10386	1214	50131	15886	32958	1287	-11,3
(13) Massenutz	12555	12705	29177	673	38179	10350	25133	496	-10,3
(14) - Kohle und Koks	26312	10	25712	560	21835	94	21321	429	-17,0
(15) - Eisenierz	6029	5848	181	-	5834	3666	164	1	-3,2
(16) - Getreide	2847	2712	127	48	2959	2413	246	41	+2,5
(17) - Anderes Schüttgut	7327	4135	3127	65	7331	4377	3148	31	+3,0
(18) Mineralöl und -produkte	4029	921	3514	194	2905	918	1571	418	-37,1
(19) Holz	1427	84	1724	19	1095	149	1510	27	-7,2
(20) Stückgut	7302	2213	6971	328	7322	2271	4735	346	+2,0
(21) Ladungserkennung									
(22) Polnischer Außenhandel	17553	15034	31519	-	43540	13374	30166	-	-8,4
(23) Transitverkehr	7746	2479	4867	-	5304	2512	2792	-	-31,5
(24) Häfen									
(25) Gdańsk	21453	3448	18004	203	18119	3690	14139	292	-12,3
(26) Gdynia	11271	4067	6650	14	10685	4368	5974	143	-5,2
(27) Szczecin-Swinoujscie	23819	7774	14554	901	21083	7529	12647	407	-9,8
(28) Kołobrzeg	206	68	131	6	211	76	133	3	+4,1
(29) Darłowo	63	16	47	-	80	14	66	-	+27,0

Table 1. Polish Port Transshipping Volume, 1984 and 1985 (10<sup>3</sup> tons)

Key:

1. Kinds of Goods and Ports
2. Total
3. Imports
4. Exports
5. Coastal and Inland Waterway Traffic
6. Total
7. Imports
8. Exports
9. Coastal and Inland Waterway Traffic
10. Difference, 1985:1984 in percent
11. Total
12. Kinds of Goods
13. Bulk cargo
14. Coal and coke
15. Iron ore
16. Grain
17. Other buik cargo
18. Mineral oil and products
19. Wood
20. Mixed cargo
21. Port of lading
22. Polish foreign trade
23. Transit traffic
24. Ports
25. Gdańsk
26. Gdynia
27. Stettin-Swinoujscie
28. Kołobrzeg
29. Darłowo

Tafel 2. Transitumschlagsleistungen der polnischen Seehäfen  
1984 und 1985 ( $10^3$  t)

(1) Gattarten, Häfen und Länder	(2) Import- samt	1984		(5) Import- samt	1985		(8) Verände- rungen 1985:1984 in %
		(3) Ein- fahr	(4) Aus- fahr		(6) Ein- fahr	(7) Aus- fahr	
(9) Insgesamt	7748	2879	4867	5384	2532	2702	-31,5
(10) Güterarten							
(11) Massengut	2544	2211	368	1938	1812	126	-23,8
(12) Holz	232	74	158	231	101	150	+ 8,2
(13) Stückgut	2318	584	1734	2311	209	1712	-0,3
(14) Mineralöl und -produkte	2652	-	2652	584	-	804	-69,7
(15) Häfen							
(16) Gdańsk	3127	314	2813	1219	288	981	-28,4
(17) Gdynia	1104	319	755	1022	252	749	-1,1
(18) Szczecin- Swinoujscie	3504	2216	1288	2927	1872	1055	-16,5
(19) Kołobrzeg	11	-	11	16	-	16	+43,4
(20) Länder							
(21) CSSR	2634	1291	1343	2065	924	1141	-21,4
(22) Ungarn	810	406	414	897	307	300	+5,5
(23) Österreich	981	937	44	884	918	66	-9,0
(24) UdSSR	2656	4	2652	804	-	804	-69,7
(25) DDR	113	76	37	208	122	86	+84,1

Table 2. Transit Transshipping Volume of Polish Ports, 1984 and 1985 ( $10^3$ )

Key:

1. Kinds of goods, ports and countries	14. Mineral Oil and products
2. Total	15. Ports
3. Imports	16. Gdańsk
4. Exports	17. Gdynia
5. Total	18. Stettin-Swinoujscie
6. Imports	19. Kołobrzeg
7. Exports	20. Countries
8. Change 1985:1984 in percent	21. CSSR
9. Total	22. Hungary
10. Kinds of goods	23. Austria
11. Bulk cargo	24. USSR
12. Wood	25. GDR
13. Mixed cargo	

(1)	1984	(2)	(3)	1985	(5)	(6)	(7)
	Anzahl der Schiffe	10 <sup>3</sup> BRT	10 <sup>3</sup> tdw	Anzahl der Schiffe	10 <sup>3</sup> BRT	10 <sup>3</sup> tdw	Verände- rungen 1985: 1984 in % (tdw)
(8) Insgesamt	278	2668	3972	278	2797	4171	+ 5,0
(9) Reedereien							
(10) Linienfahrt	134	843	1002	125	811	1011	- 4,8
- Polish Ocean Lines	6	62	78	7	64	82	+ 5,1
- Polish Shipping Association	119	587	809	110	553	734	- 6,8
- Polish-French Shipping Co.	4	120	90	4	120	90	0,0
- Polish-Spanish Shipping Co.	4	74	85	4	74	85	0,0
(11) Trampfahrt	119	1609	2741	127	1847	2969	+ 8,3
- Polish Steamship Co.	26	215	330	22	122	183	- 44,6
- Polish Shipping Co.	93	1484	2411	105	1725	2786	+ 15,5
Polish Baltic Shipping Co.	13	25	15	13	25	15	0,0
Chinese-Polish Shipping Co.	12	101	154	13	114	176	+ 14,3
(12) Schiffstypen							
(13) Trockenfrachtschiffe, darunter	261	2309	3416	260	2433	3614	+ 5,8
- Massengutfrachter	76	1284	2063	83	1427	2290	+ 11,0
- Containerschiffe*)	37	405	432	39	413	443	+ 2,5
(16) Tanker	9	308	538	9	308	538	0,0
(17) Fahrgastschiffe	1	15	7	1	15	7	0,0
(18) Fähren	7	36	11	8	41	12	+ 0,1
(19) Neuzugänge	6	170	290	11	179	291	+ 0,5

(20) \*) Einschließlich Semicontainer- und Ro/Ro-Schiffe

Table 3. Polish Merchant Fleet in 1984 and 1985 (as of 31 December)

Key:

1. Number of ships
2. 10<sup>3</sup> GRT
3. 10<sup>3</sup> DWT
4. Number of ships
5. 10<sup>3</sup> GRT
6. 10<sup>3</sup> DWT
7. Change 1985:1984 in percent (DWT)
8. Total
9. Shipping companies
10. Regularly scheduled shipping
11. Tramp shipping
12. Types of ships
13. Dry-cargo freighters, including
14. Bulk-cargo freighters
15. Container ships\*
16. Tankers
17. Passenger ships
18. Ferries
19. New acquisitions
20. \*Including semicontainer and RO/RO ships

	(1)	1984		1985		(6)	(7)	
		Anzahl der Schiffe	BRT	tdw	Anzahl der Schiffe	BRT	tdw	Verände- rungen BRT 1985:1984 in %
8)	Insgesamt	44	344347	484923	41	264014	343062	-23,7
9)	Werften							
10)	Leninwerft, Gdańsk	13	129600	176000	14	92200	118077	-28,9
11)	Pariser-Kommune-Werft, Gdynia	4	116000	190400	2	26000	42200	-77,0
12)	Warskiwerft, Szczecin.	12	86570	115110	14	135084	181210	+56,7
13)	Nordwerft, Gdańsk	7	8977	1733	3	6900	900	-23,1
14)	UstkaWerft, Ustka	7	1610	700	7	1680	505	+43
15)	Wislawerft, Gdańsk	1	600	80	1	650	80	-5,8
16)	Schiffstypen							
17)	Tanker	3	105000	178000	1	26500	47400	-74,8
18)	Massengutfrachter	4	103000	170500	6	130332	200100	+20,5
19)	Stückgutfrachter	7	91070	112610	5	58970	72110	-35,3
20)	Fischereischiffe	15	16455	10665	9	6580	4695	-60,0
21)	Andere Schiffe	15	28822	13118	20	41632	18757	+44,4
22)	Auftraggeber							
23)	Polen	1	1900	2300	6	87732	134000	×
24)	UdSSR	26	50732	28448	29	69130	51852	+38,3
25)	BRD	2	28970	39110	2	28970	39110	0,0
26)	Zypern	-	-	-	1	26500	47400	×
27)	Frankreich	1	25000	39000	1	25000	39000	0,0
28)	Finnland	2	40000	65600	1	20000	29000	-50,0
29)	Türkei	-	-	-	1	6682	1800	×
30)	Griechenland	2	63500	98300	-	-	-	-
31)	Norwegen	1	38000	65000	-	-	-	-
32)	Kolumbien	2	28000	34000	-	-	-	-
33)	Schweden	1	26500	47400	-	-	-	-
34)	Liberia	1	26500	47400	-	-	-	-
35)	VR China	1	14000	16300	-	-	-	-
36)	Iceland	3	945	465	-	-	-	-
37)	Bulgarien	1	300	100	-	-	-	-

Table 4. Polish Shipbuilding Production, 1984 and 1985

Key:

- 1. Number of ships
- 2. GRT
- 3. DWT
- 4. Number of ships
- 5. GRT
- 6. DWT
- 7. Change in GRT, 1985:1984 in percent
- 8. Total
- 9. Shipyards
- 10. Lenin Shipyard, Gdańsk
- 11. Paris-Commune Shipyard, Gdynia
- 12. Warski Shipyard, Stettin
- 13. North Shipyard, Gdańsk
- 14. Ustka Shipyard, Ustka
- 15. Wisla Shipyard, Gdańsk
- 16. Types of ships
- 17. Tankers
- 18. Bulk-cargo freighters
- 19. Mixed-cargo freighters
- 20. Fishing ships
- 21. Other ships
- 22. Ordering countries
- 23. Poland
- 24. USSR
- 25. FRG
- 26. Cyprus
- 27. France
- 28. Finland
- 29. Turkey
- 30. Greece
- 31. Norway
- 32. Colombia
- 33. Sweden
- 34. Liberia
- 35. PRC
- 36. Iceland
- 37. Bulgaria

12124/12948  
CSO: 2300/19

ECONOMY

YUGOSLAVIA

GLIGOROV NOTES ENTRENCHED OPPOSITION TO SMALL ECONOMY

Zagreb DANAS in Serbo-Croatian 14 Oct 86 p 8

[Excerpt] Kiro Gligorov, member of the Council of the Federation, in promoting the new book by Cedo Grbic, said the following about the development of the small-scale economy: According to some estimates, 70 percent of our economy operates from a monopolistic position. Such an economy is sufficient unto itself, is always sure of its market (a quasi-market), its prices are based on the coverage of all costs and the friendly view of the state on all levels toward its mistakes. An economic organization which does not have to fight every day to affirm its existence and success on the domestic and world market has no need of the small economy. For such economic organizations the small economy is superfluous, makes life more complicated, and creates problems but produces very little results. This is why we are where we are in the development of the small economy, because almost nothing has changed in regard to the institutional conditions under which the economy operates, based on economic categories and the Long-Term Program of Economic Stabilization; [namely], real interest, the dinar rate of exchange, amortization, capital accumulation, and real income. If this continues, there is not much chance that the relation toward the small economy will change and all the support for the small economy will remain a sermon which repeats some truths, but these truths do not penetrate the consciousness, or they pass by the consciousness of the self-manager and business organs, because they do not touch their real economic interests and have no influence on the success or results of their operation.

If this is the case with the small economy in the socialized sector, what can be the chances for developing the small economy with private means of production, or in various cooperative forms which we restrict here, or even in some mixed combinations of social and private means of production? In this case, ideological reasons intervene, in addition to economic. This is the reason that the steady reduction in the share of the private sector is interpreted as a broadening and advance of socialism.... In my opinion, it is a question of an extremely simplified idea of socialism, existing independently of the achieved level of production forces, a question of an ideological consciousness which is prepared to accept slower economic advance only in order to retain an idealized concept of socialism and the unavoidable stages through which it must pass. According to it, one can accept lower employment if only the small private economy is not expanded. Let people go abroad for many small things but also for real human needs, let hard currency flow out of the country, but don't let small private production expand in the country.

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CSO: 2800/45

ECONOMY

YUGOSLAVIA

#### ESTIMATE OF 1987 OIL NEEDS; IMPORT PROBLEMS

Belgrade PRIVREDNI PREGLED in Serbo-Croatian 14 Oct 86 p 4

[Excerpt] Next year at least 12 million tons of oil must be imported, so that, together with domestic production of crude oil, the 4.7 percent increase in oil products over that estimated for this year, will be achieved. Next year we are to buy about 10 percent more oil than was planned for 1986 (this amount was 10.9 million tons). In the first 8 months of this year considerably more oil was imported than planned for this period; Dr Andrej Ocvirk, president of the Federal Committee for Energy and Industry, said that this year we will buy 1 million more tons of oil than planned in the energy balance sheet. He probably had in mind in this regard the more difficult conditions of purchase of larger amounts from the USSR from which we obtain one-half our annual amounts purchased from foreign countries.

If an agreement is not reached soon on paying for oil through construction work done at the "Kuban" project and on the unsettled advance taken last year out of this year's amount, then we must turn to the convertible market. But if this is not made up in the next 2 to 3 months, then this year we will import only the planned 10.9 million tons of crude oil. It is difficult to believe that this will be the case.

The world market price of oil is gradually increasing and it would be too bad not to use its considerably lower price from last year as much as we can. In July and August the oil industry paid between \$10 and \$13 per barrel, or the lowest price thus far.... Since the price of oil has been on the rise, it is understandable that our regular suppliers with whom we have long-term purchase contracts, like the USSR, are [only] reluctantly deciding to increase this year's [delivery] amounts, even to the detriment of next year's.

According to plans being prepared by domestic oil producers, the consumption of liquid fuels for energy needs is not abating nor are consumers being re-oriented toward other kinds of energy sources. The consumption of liquid fuels for energy needs is expected to increase 4.1 percent next year, while consumption for non-energy needs is expected to increase 9.7 percent compared to the plan for this year. Keeping in mind that the planned consumption of

oil for non-energy needs (gasoline for the petrochemical industry) as a rule has not been met for years (it amounts to 2.710 million tons and accounts for only one-eighth of all estimated needs for oil products (namely, 16.685 million tons) in 1987), it is clear that the [effort to] substitute other energy sources for liquid fuel has not progressed, especially when it is also planned to increase mazut consumption in 1987 by 5 percent over that planned for this year.

Domestic oil producers estimate their production will be 4.165 million tons, or 2.3 percent less than that planned for this year. This amount includes the oil Yugoslav producers found in Angola; next year 226,000 tons of this oil should be shipped here. It follows from this that production from domestic fields is estimated at 3.939 million tons, indicating that oil exploitation in Yugoslavia is declining.

Also...the actual increase in consumption would be more than that indicated by the oil producers because that which was borrowed last year would have to be returned out of this year's purchases....

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CSO: 2800/45

ECONOMY

YUGOSLAVIA

BRIEFS

KOSOVO ELECTRIC POWER--On 31 October a self-management agreement will be signed in Belgrade on the joint financing of preliminary work on building energy capacities based on the mining of Kosovo lignite. The electric power industries of Croatia, Slovenia, Macedonia, Vojvodina, the Association of the Electric Power Economy in Belgrade, and the Electric Power Industry of Kosovo are signers of the agreement and will take part in building seven thermal electric power units in Kosovo of 300 megawatts each. The value of the preliminary work will amount to 1,150,000,000 dinars. After the agreement is signed, the investment program will be worked out and if all goes according to plan, the first 300-megawatt unit will be completed by 1996, and the remaining facilities would be completed by the end of this century. Halit Malici, vice president of the business council of the "Electric Power Industry of Kosovo," said it is a question of the largest energy facilities in the country with an investment of about \$2.5 billion. When completed, about 6,000 workers will be employed in them. [Excerpt] [Belgrade PRIVREDNI PREGLED in Serbo-Croatian 30 Oct 86 p 1] /8309

OIL FROM IRAQ--The shipping of oil by tank truck from the Iraqi refinery in Kirkuk by land to Yugoslavia has begun. By the end of the year 150 to 200 trucks will transport to Yugoslavia 350,000 tons of oil, valued at \$35 million. A shipping contract has been concluded between the Belgrade Generalexport firm and the Iraqi State Organization for Oil Distribution, SOMO. Shipping will continue also during 1987. The value of the contracted work for next year amounts to about \$200 million. [Excerpt] [Belgrade PRIVREDNI PREGLED in Serbo-Croatian 22 Oct 86 p 1] /8309

CSO: 2800/45

MILITARY

HUNGARY

DEFENSE MINISTER REVIEWS RECENT DEVELOPMENTS IN MILITARY

Budapest NEPSZABADSAG in Hungarian 27 Sep 86 p 5

[Interview with Minister of Defense Ferenc Karpati by Laszlo Szabo]

[Text] The day after tomorrow is Armed Forces Day. On this day we salute our soldiers, border guards, policemen and workers' militiamen. Each year on this day we praise the steadfastness of our armed forces. We salute all those who provide armed service to protect our country's peace, the security of our borders and our nation's order.

On this occasion nevertheless, the subject of our discussion with Minister of Defense Colonel General Ferenc Karpati will be mundane, practical issues, rather than major tasks.

[Question] At a press conference last summer you indicated that you intend to change a number of rules affecting enlisted personnel so as to lessen the rigidity of military life.

[Answer] I believe that changes in peoples' life styles and habits create new demands. These must be recognized not only in the military, but throughout society. In course, corresponding changes must be made with respect to old practices. It is true that public opinion considers the armed forces, and within the armed forces the army as a particularly conservative group. Due to its mission, the military has certain rules that are truly old, yet they are still in force and must continue to be in force. To mention just a few: a high degree of discipline, order, organization and punctuality is necessary. Absent these features there is no army. Moreover, these requirements have a greater significance today than say, a hundred years ago, because technology has become complicated and technological discipline too has become rigorous. Preparatory time available for combat readiness has also shortened. And then: within the military one must lead and direct with commands. This fact is conditioned upon a rigid hierarchical structure and upon unconditional obedience. These circumstances cannot be changed, because they are the indispensable prerequisites of military duty. On the other hand, the time has come to make changes with respect to a long list of other items, and I concur with the idea of making these changes. Especially with respect to those items that pertain to the lives, life styles and interpersonal relations of people.

### The Young Are Seeking a Rationale For Everything

The need for change is not new. The idea of drawing our youth into military duty for a period no longer than it is deemed to be necessary from a military viewpoint, has been floating around for several years. The 24 months service period has been reduced to 18 months. Equally the idea of periodically granting soldiers as much leave as possible, is not of recent date. Obviously there is a free-time ratio being defined here by the concepts of service and of combat readiness--a certain strength must always be in place. According to earlier perceptions it was good to keep every soldier in place. This perception belongs to the past!

We also must keep in mind that today's youth seeks a rationale for everything. They question everything, not only in civilian life but also in the military. And if they understand the rationale of something they will perform with enthusiasm. A comprehension of all of our expectations can bring positive results throughout the military.

Take for example soldiers on leave. Today's youth does not like to appear in uniform at places of entertainment. If nothing else, they don't feel that uniforms fit into a discotheques. Soldiers can hardly wait to change and to spend their leave in civilian clothing. We felt that we would not violate any tenet of military service by meeting this expectation in advance. Or take another example: hitch-hiking. A decade ago we all rejected the idea of hitch-hiking and all the things that may occur as a result of hitch-hiking. I felt the same way. And then I met some young people who hitch-hiked not only through Hungary, but through half of Europe. By now I find nothing objectionable about hitch-hiking. Moreover in certain places transportation constraints render hitch-hiking as an expressly useful thing. Within certain limitations, we will permit soldiers to hitch-hike.

[Question] Throughout the nation we are witnessing a strong trend of decentralization. Would it be impossible to perceive decentralization within the military?

[Answer] Not at all. The rigid superior-subordinate relationship must be retained of course, in matters concerning central direction. But, for example, in order to bring about improved human relations, unit commanders may enjoy more discretion, e.g. with respect to establishing the daily schedule. There is diversity among the life styles of various units. It is really the local commander who is capable of determining the kind of schedule that is most responsive to local conditions within individual barracks. I believe that this kind of decentralization will also accomplish the fact that a significant part of official duties will be attended to before noon, leaving a significant part of afternoons for sports, education and entertainment. And this applies both to professional soldiers and to enlisted men.

### Making the 18 Months Even More Useful

[Question] It has been rumored that you intend to do away with military detention rooms.

[Answer] You can't do away with it completely. Military detention has a long history--it was not invented by the People's Army. And even though there is a saying that only he who has been detained is a real soldier, the idea of being detained for even the slightest infringement, being watched by an armed guard, cannot be reconciled with the self-esteem of today's youth. We have conducted experiments within certain units to the effect that detention would be the consequence of very serious infringements only. One must differentiate between disciplining, and holding someone responsible for something. I am of the belief that small disciplinary matters could be punished by confinement to the barracks only. Today's youth is more sensitive to this kind of thing.

We are also contemplating the possibility of permitting soldiers to park their cars and motorcycles near the barracks. Many of them would appreciate this. But a decision like this would also have some adverse consequences. On the one hand, it is a bit too tempting to have the car next to the gate. The soldier may hop into his car and ride around with his friends. And this may be viewed unfavorably by those who do not have a car--it may affect the soldiers' interpersonal relationships. In any event, we are collecting some experiential data. We will grant such permissions with certain limitations: in warranted cases, especially to those with families and other who serve far away from home.

[Question] Did you ever consider making those 18 months even more useful?

[Answer] Of course. It is in this sense that we have made the study of languages possible, especially for those who will be admitted to universities. We already have several hundred groups specializing in computer technology. We supplied the computers and other tools for these groups. Just think how useful this will be in the future lives of these people! Just the other day we made a decision to install video apparatus into our club houses. They will watch more movies than they would see at home during a decade.

I do realize that the sensible occupation and civilized treatment that is particularly being demanded by today's self-respecting youth, has an effect on the general feelings, the mood and the performance of soldiers. For this reason the military must be even more open! It is our goal to accomplish that elementary and high school students visit nearby barracks and training bases at least once. It would be desirable to have them visit more than once.

[Question] Will there be changes in military attire?

[Answer] Yes, unfortunately. Even in highly justifiable cases I always regret when something has to be changed [with respect to uniforms]. Continuity would be desirable with respect to uniforms. We endeavour to make durable whatever changes we make. With respect to enlisted men's dress uniforms, we introduced a sporty jacket not too long ago. A car coat will be added to this. Any change in military attire is preceded by broad examinations--we even vote on how the outerwear should look like. Quality is being researched by outside institutions. And it is important that when seeing a soldier the civilian population feels that it is looking at a Hungarian soldier. I'll tell you a secret: our experts have analyzed Hungarian military uniforms dating back for many centuries. The result of

these studies and of a public opinion search is that the flat cap will be exchanged for the traditional cap worn until the late 1940-s. Officers and non-commissioned officers on the other hand will receive an attractive broad-cloth overcoat. The technical standards are extremely high with respect to the so called combat uniform. Our current combat attire largely meets these standards. But it does not provide full protection against rain and cold. We are resolving this problem also.

[Question] It seems that you endeavour to change centuries old military customs. What do military officers have to say about that?

[Answer] These are powerful old customs. But most of our military officers are young. Their thinking therefore corresponds to that of the enlisted men. Actually the new ideas came from young officers and non-commissioned officers. I am aware of the fact that just as in civilian life, individual changes like these are not instantly espoused by everyone. I would like to note, however, that no substantive change that affects military life style is being introduced without eliciting the prior opinion of the men. We reach our decisions based on democratic preparation.

[Question] Food supplies have always been among the foremost concerns of the People's Army. Are various units able to manage within their respective budgets?

[Answer] Enlisted men are young adults who are always hungry. The army--every commander--the entire supply service bears the responsibility of securing food supplies for the soldiers. These supplies must satisfy the soldiers' needs, as those needs are defined by their age, and must conform to their taste. Our government too is involved in making certain that soldiers receive all that is needed to satisfy their appropriate nutritional needs. The per capita daily quota is set at 3700-4000 calories, at a cost of 44 forints worth of unprocessed food supplies. But this quota is being supplemented by several other items. Each of our units maintains a small farm, primarily a porkery and a poultry farm. But vegetables and fruits are also grown in many places. In some places they are growing mushrooms. In this respect the various units have a rather broad latitude, they are independent and thus the food supplies have been decentralized. In this way the centrally supplied provisions are being supplemented quite well. Each day the soldiers receive four meals. They even receive a snack, and at lunch time they may choose from a variety. Most frequently the soldiers blame the cooks, because they do not make the meals sufficiently tasteful. The messes operate on a self-service basis, and the kitchens are mechanized.

[Question] If indeed our soldiers are this well supplied, why are they looking forward to food parcels coming from their homes?

[Answer] Because home meals have been prepared by their mothers!

[Question] Is it true that alcoholic beverages are prohibited in the barracks?

[Answer] Even beer is prohibited. Wherever alcoholic beverages are being consumed in the barracks, they are being consumed illegally. Often with the help of relatives and visitors. Rigorous discipline will be maintained in the

future in this respect, irrespective of whether the culprits are officers or enlisted men.

#### One Cannot Fall Behind

[Question] Throughout the world, military technology is in a rapid state of development. We know that we must keep in step with this development. Can we manage?

[Answer] We must manage! We must know at all times--and we do know--the means they have on the other side, the changes they are making and their goals. For example, at the time of their introduction as new weaponry in Europe, we had to respond to the emergence of winged rockets. We did establish appropriate counter-measures by establishing a system that was capable of repelling these new weapons. And this applies to every new weapon. We cannot fall behind [the military technology] of the other side. We would be unable to keep in step by ourselves, of course. But within the Warsaw Pact we have established a uniform system of weaponry, a unified technology, and this is a tremendous advantage for every army within the Pact. [In Hungary] we too produced modern weapons and thus we have contributed to arming the friendly forces.

[Question] In what ways did the circumstances of the People's Army evolve in recent years?

[Answer] By now, throughout the Army the conditions for training are up to date. With respect to living quarters, however, it is a fact that part of our barracks had been built during the previous century, and an overwhelming number of them during the 1950-s. In other words, they do require renewal. We spend a lot of money for these purposes and enhance the possibilities [for renewal] by using our military forces.

We have established an army-wide plan in cooperation with the national water and gas [resource development] program. We are trying to implement that plan as rapidly as possible. And even though we have accomplished a lot already, all this is dependent upon our national capacities. It is a fact that we have fallen back a bit. For this reason we will concentrate more on this subject. Under this heading [I should state that] we are endeavouring to increase the [availability of] cultural and sports facilities within our barracks also. True, there are no barracks without sports facilities or libraries. In most places there are libraries with 8-10,000 volumes. Their book inventory is comparable to that of public libraries. But there are places where hot water is not always available, and where rooms are overcrowded.

Military pay is also part of the [overall issue of] living conditions. I am pleased to say that we did have an opportunity to double the military pay. The pay now amounts to 500 forints, but the pay is higher if the enlisted man is assigned to a certain function, or achieves a rank. Those with families receive various supplements and financial aid.

Our hospitals are well equipped. Not too long ago we delivered a brand new hospital at Györ. Within a few weeks the fully renewed No 1 hospital in Budapest will be reopened again. Renovation of this central military hospital

had been a rather large task. But when ready, it will be the nation's most up to date health care facility.

To Make the Career of Military Officers More Attractive

[Question] To become a military officers is a vocation. Can we make this vocation attractive to our youth?

[Answer] We are trying, but this is not easy. The demands are rather high. Political preparedness is a primary concern. All candidates would require thorough professional knowledge and a broad cultural base. Physical aptitude does not rank last either. And we are not impressed with the number and the advance preparation of applicants either. We are familiar with the cause. [of the low numbers and inadequate advance preparation], however. It is for this reason that we view it as our primary obligation to take diverse measures in the interest of the professional staff. It is not only with respect to the enlisted men, but also in regards to professional officers that we must keep in step with the times and make the necessary changes. A decisive part of these changes must be accomplished by the army itself. But it is not only we who must act. Manpower utilization within the service must be changed in order to achieve a balance in the duties of young officers and non-commissioned officers, so as to allow sufficient time for family life. Another aspect of [proposed] changes provides a clearer view of life, a better opportunity for career planning for new, young officers and non-commissioned officers. Moral and material values also also weigh heavily in our considerations. It is not only we in the military who see the importance of this today, the professional staff of the army will feel the effects of this in the future also. We want to speed up the construction of quarters. It is our desire that officers' and non-commissioned officers' quarters now under construction be up to date.

County and local party organizations, as well as state and social organizations also must play a role in encouraging [the young to choose] officers' and non-commissioned officers' careers. When choosing careers, the military officers' career must not be just one among many careers to choose from. Even today it is an important task to see who is becoming a part of the professional staff of the armed forces. Our experiences during the past several months suggest that there is a greater understanding in this respect. Of course, we must not disregard the fact that training within military academies also requires reform. Not too long ago we have reviewed [the programs of] our military academies and have decided upon some significant changes. These include changes with respect to the educational process and the curriculum. These changes will help academies to provide highly qualified, properly motivated officers responsive to today's needs.

[Question] I believe that the network of military colleges had been an outstanding initiative on part of the Army. Are you going to expand this network?

[Answer] At present there are nine military colleges. We have just begun the establishment of the tenth college, but we have no intention to further develop this network. Our experiences are very encouraging. Our plans for the 1990's call for these colleges to provide three-fourths of the officers

candidates attending military academies. The truth is that there are too many applicants to military colleges. But we are pleased with this fact. It increases the opportunity for qualitative improvements. We also have military high schools and specialized schools. The four-year specialized high schools provide excellent specialists for the army. We have just decided to establish an airplane mechanics school in Szolnok and a communications school at Vac.

#### Demography and Service

[Question] Increased demands tend to increase the duties of enlisted men. Considering the demographic situation, however, the number of military age people will decrease within a few years. How do you intend to resolve this contradiction and still retain the 18 months period of service?

[Answer] We are endeavouring to retain the 18 months service period. We already know how many young people can be drafted in the 1990-s. That number is by far less than it is today. For this reason we are first of all adjusting the physical fitness/health requirements. Today, the number of those not enlisted for various health reasons is rather great. On the other hand, the army has many functions that could be fulfilled by weaker persons. These functions are being fulfilled today by strong, healthy persons. We will, of course, continue not to draft those who have organic or serious health problems, for which we could not be held responsible during military service.

We are trying to resolve this issue also in a different way. At present there are a number of activities in which the military participates, even though there is no primary military interest attached to these activities. We will reduce these marginal fields in the future. And finally, we will take more seriously the permission of reducing the length of military service.

[Question] Would your answer mean that you will reduce those military assignments that contribute to the goals of the people's economy?

[Answer] In many places the army is involved in construction projects, central investment projects, residential, subway and railroad construction as well as at the post office. It is possible that in certain respects these activities will have to be curtailed.

[Question] It is rumored that some try to dodge military service by invoking religious convictions. Are there many young people who do that? And what do the churches have to say about that?

[Answer] Our relations with all of the churches are settled. Even with those smaller denominations whose doctrines do not permit armed military service. we have reached agreements with these churches a few years ago to permit their followers to provide unarmed services within the military. There are, of course, no problems with respect to the members of those denominations which do not prohibit armed military service. There are no problems, even if [one considers that] at every enlistment we find some who refuse military service. The number of these may be expressed in fractions of a thousand. Their number is insignificant. Those admitted to regular theological seminaries serve on regular military duty, and I must say there are absolutely no problems with them.

[Question] Today you will be going to Varosliget [city park] to demonstrate your technical facilities. You will also have some discussion forums. I am aware of the fact that you have received a great number of questions in advance, not only from enlisted men, but also from civilians. Among these questions there must be many that bear upon the work of the army. Are you making use of these questions?

[Answer] As Minister of Defense I am very interested in the questions raised and the opinions expressed. I am certain that the various commanders feel the same way. I am certain that many of the questions will be answered on the spot by those present. The rest of the questions will be dealt with by our publicly available journal, IGAZ SZO. We will summarize the remarks and will take all necessary action.

12995  
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POLITICS

HUNGARY

**JOINT ATHLETIC TRAINING WITH SOVIETS INITIATED**

Budapest MAGYAR HIRLAP in Hungarian 25 Sep 86 p 8

[Article: "The Soviet Union Prepares for the Olympics"]

[Text] Istvan Horvath, secretary of the Central Committee [KB] of the Hungarian Socialist Workers Party [MSZMP] met with Marat Gramov, president of the Athletics and Sports Committee of the Soviet Union. Gramov also heads the Soviet Olympic Committee. The meeting took place on Wednesday, at the headquarters of the MSZMP KB, in the presence of state secretary Gabor Deak, and Tamas Ajan, president and deputy president of the State Youth and Sports office [AISH]. Deak is also President of the Hungarian Olympic Committee [MOB].

At the AISH Wednesday morning, Gabor Deak and Marat Gramov signed a long-term Hungarian-Soviet cooperative agreement. Present at the signing ceremonies were Tamas Ajan, Antal Pongracz and Tibor Tamas, deputy presidents of the AISH, as well as Vjaceslav Gavrilin, deputy president of the Soviet Athletic and Sports Committee.

The agreement provides for the development and the exchange of select- and club-teams involving the best athletes of the two nations, as well as the coordination of the most important sports events. Common training camps to be used in an alternating fashion by both nations' teams will be established, and trainers, coaches and other specialists will mutually exchange information concerning their experiences and methods used in the training and preparation of competing athletes. This information exchange between Hungarian and Soviet experts will perfect the financial and technical basis of sporting events, and will include the planning and construction of sports facilities.

The signatories agreed to further develop and to deepen their scientific cooperation. Scientific research will be conducted in the fields of physical training and sports, including medical specialty issues pertaining to sports.

They will maintain liaison between scientists and specialists, and will exchange experiences and new information pertaining to their work and the results of their work.

In order to enhance the modern methods of physical training, a broadly based program of cooperation and information exchange will be established between academies of physical education also. Physical education teachers will be exchanged between the two countries for purposes of delivering lectures and to provide consulting services. The relationship will be mutually supported both within Hungary and the Soviet Union, by regional and county-level sports clubs and mass organizations concerned with physical education, and especially by those in the border regions.

The signatories agreed to help provide the needed sports information to the press, the radio and the television media. They will enhance the exchange of sports reporters, and of sports-related motion pictures, television programs, exhibits and literature in order to mutually inform the public in both nations in a more comprehensive, more accurate manner concerning accomplishments in the field of sports and physical education.

The agreement provides for the exchange of information in the field of physical education and sports. They will conduct mutual consultations concerning the most important questions pertaining to international sports and to the olympic movement.

The agreement establishes a permanent mixed committee, headed by the deputy presidents. The committee is to meet once a year, in the Soviet Union or in Hungary. Each year they will approve the minutes concerning cooperation in the fields of sports and physical education, and concerning the exchange of delegations.

The long term sports-cooperative agreement ratified on Wednesday will stay in effect until December 31, 2000.

At a press conference that followed the signing ceremonies, Gramov praised the sports relationship between the two nations, as well as the agreement that will further improve these relationships.

"Sports relationships between the Soviet Union and Hungary are based on a rich heritage, nevertheless the agreement signed today signifies the beginning of an important new era, because the substance of the agreement has been enriched as compared to the substance of previous agreements," Gramov said. "There are good reasons for this: foremost of all we find that sport, as a social phenomenon has gained great significance in today's world. At the same time, sports present an increasing number of problems. These problems affect in part the development of physical education and sports pursued by the general public, and in part, the competitive sports, the leading sports. Nowadays we cannot really talk about either mass sports or about leading sports without international cooperation, without mutual relationships between the two nations. It is obvious that through joint cooperation we can resolve our problems more easily. Primarily I am thinking of scientific research and of those annually recurring meetings in which we will work out the details of

exchanges between sports delegations, conferences and the methods of joint research."

A new Soviet institution will shortly begin functioning. The institution's primary function will be the training and continued education of experts who keep in step with developments in athletics and in physical education, Grabov reported. Speaking of mass-sports, Grabov stated that in the Soviet Union opportunities are increasing at all levels of society. Youth, and above all, pre-school children enjoy priorities in this process.

Responding to questions, the President of the Athletics and Sports Committee of the Soviet Union made the following statement.

"There are concerns with respect to the Soviet sports movement. A significant reorganization in progress is aimed at solving these problems. The State Sports Committee has come into being. We have developed a series of programs whose aims are to encourage mass physical exercise among the population, to fully provide sportswear and sports equipment supplies, and to rapidly expand the sporting establishments. Our aim is to establish 2500 sport centers in the Soviet Union."

The sports leader then discussed Soviet preparations for the 1988 summer and winter olympics, the significant progress that can be seen in the field of athletics, contests, including wrestling, as well as in several ball games. On the other hand he also reported on the decline in water sports, and particularly in kayak-canoe racing. The decline is to be credited to the recent passing of a generation. There appear to be concerns with respect to Soviet swimmers, but representatives of winter sports are doing well.

"The International Olympic Committee [IOC] is endeavouring to bring about an agreement between South Korea and the Korean Peoples Democratic Republic concerning the joint organization of the 1988 summer olympics," the Soviet sports leader continued. "These efforts can be seen in recent negotiations conducted in Lausanne by IOC President Juan Antonio Samaranch. Concerning the Soviet position with respect to the approaching games--as I mentioned before, our sportsmen are preparing themselves for the contests. The olympic movement is a progressive movement, it contributes to the improvement of mutual understanding among nations. This has been evidenced by the events of the Goodwill Contests that took place last summer in the Soviet Union."

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POLITICS

HUNGARY

FRG FOREIGN MINISTER REVIEWS POLITICAL, TRADE RELATIONS

Berlin DER TAGESSPIEGEL in German 17 Sep 86 p 3

[Article by Gustav Chalupa: "Bonn and the Economic Problems of Hungary--The Talks with Genscher--Upcoming Visit by von Weizsaecker"]

[Text] Officials in Budapest describe German-Hungarian relations as cordial and friendly, with the best prospects for further development. West German Foreign Minister Genscher's visit is confirmation of that here. Genscher attended a benefit gala concert for the SOS children's home in Budapest and made a private side trip as a guest of the Hungarian foreign minister to Lake Balaton. He used the opportunity to engage in informal discussions.

The official round of talks took place on Monday (15 September, 1986) and included a reception by the Hungarian party boss Janos Kader. The talks were characterized by "mutual understanding in a friendly tone."

Three main points were identified during the official talks of the two foreign ministers. One was the preparations for the coming round of conference talks on European Security and Cooperation in Vienna, at which Hungary will present the results of the Budapest CSCE Culture Forum which was held for this conference. Hungary's relationship to the EC was another point, and in connection with this the state of German-Hungarian economic relations. The last two are almost inseparable, since the FRG is Hungary's most important trade partner in the EC with 53 percent of total EC trade. Hungary is striving for a trade treaty with the EC, and made certain during the talks with Genscher that it has Bonn's support with EC offices in Brussels.

Whether Brussels can accommodate the wish of Budapest up front to eliminate restrictions on trade with the EC, that is, the limitations on certain critical products, appears to be doubtful, even when Budapest can point to its GATT membership and special regulations. The fact that even the Hungarian-German economic exchange is not without problems is indicated by the most recent figures. These show that the German exports in 1985 were DM3.06 billion, and imports from Hungary were DM 2.24 billion. The Hungarian deficit of DM822 million is the highest in years and could increase this year because of EC import restrictions following the Chernobyl atomic disaster, which did not allow any Hungarian agricultural products out to the FRG.

Despite all efforts to get on the track towards a balance in the industrial sphere, there is still not a glimmer of hope to be seen. In talks with the Hungarian Chamber of Commerce and with Hungarian economic circles, the president of the German Chamber of Commerce and Industry, Wolff von Amerongen, attempted to open new possibilities for an intensification and a balancing of German-Hungarian trade. Expansion of cooperation between mid-sized German companies and Hungarian businesses may be favored by the economic reforms currently under way.

The German economy is already leading, with 330 cooperative treaties and 19 mixed German-Hungarian companies. The engagement of German firms in the economy is of great significance for Hungary because it has a Western debt of \$12 billion, and a prompt reduction of this interest burden depends considerably on the expansion of Western contacts. The soundness and credit standing of Hungary is not in doubt, despite the high per capita debt. In any case, Western bank consortiums always make Hungary the necessary loans, or they approve payment extensions.

Last year almost 900,000 German vacationers contributed to improving the Hungarian balance of payments with their Deutsche mark expenditures. Foreign Minister Genscher visited some favorite holiday spots of the German vacationers on Lake Balaton, and so could pass judgement on what Hungary has to offer for tourist travel. On this route, Genscher traveled at least a small portion of the path that FRG President von Weizsaecker will take during his official Hungarian visit, which is planned for October. Genscher is also arranging final political details for the first official visit of a West German head of state in Hungary. The overdue approval of Budapest for the opening of a Goethe Institute in Hungary would be a praiseworthy contribution to development of German-Hungarian relations.

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POLITICS

HUNGARY

MARXIST-CATHOLIC DIALOGUE IN BUDAPEST

Academy of Sciences Host

Budapest MAGYAR NEMZET in Hungarian 15 Sep 86 p 3

[Article: "Tolerant Dialogue is Possible in a Situation Filled With Dangers: Jozsef Lukacs On the Imminent Budapest Meeting Between Marxists and Catholics"]

[Text] An international scientific meeting will be held in Budapest between October 8 and 10, with the participation of Marxist and Catholic thinkers from 13 European countries. The organizers of this discussion are the presidential office of the Hungarian Academy of Sciences and the Vatican's Secretariat for Non-Believers. The meeting can be an important step in the dialogue between the representatives of two ideologies, if each side is able to point out those moral values with which they together can aid in the solution of the global problems of mankind, even while adhering to their differing world views. Academician Jozsef Lukacs, the director of the Institute of Philosophy of the Hungarian Academy of Sciences, spoke about this in his remarks.

"The three-day Catholic-Marxist dialogue to be held in October will not be the first meeting between representatives of these two world views. At the Karlovy Vary, Berlin and Moscow meetings, as part of the detente process, all of the communist parties have already proposed a dialogue between religious men and Marxists in the interest of peace and progress. Similarly, the second Vatican synod and other forums of worldwide church organizations, also expressed the desirability of this dialogue and the practical cooperation that would result from it. Subsequently, such exchanges of ideas have taken place in various contexts. Among these was the 1984 international theoretical conference, organized by the Institute of Philosophy of the Hungarian Academy of Sciences, which was the direct antecedent of the present meeting. As pertaining to the domestic aspects of the dialogue: the good relationship between the Hungarian socialist state and the domestic churches, in addition to the dialogue conducted with regard to practical questions, also made possible a constructive ideological discussion with Protestant and Catholic theoreticians.

"This scientific symposium proves that even in the present critical, danger-filled world situation it is possible to conduct a dialogue that is honest, tolerant, and fair--even if the world views of the participants are mutually exclusive. The discussion--if successful--can offer a modest example for current discussions on other levels and on other topics. On the other hand, even though the participating scientists naturally speak for themselves, they at the same time in all certainty represent the world's two most significant ideological powers, Marxism and Catholicism. Naturally, the political, military, and economic power relationships substantially influence the solution of the problems of the age, but we cannot underestimate the influence of ideologies nor the role of morality. It is especially important, perhaps it could even become decisive, how men express their concerns and judgments about their world."

The topic of the conference: Society and Moral Values. Within the scope of this, there are six questions on the agenda: the concept of man, individual autonomy and moral responsibility, human relationships and moral values, the concept of work, and finally coexistence and collaboration from a Catholic and a Marxist point of view. All of this will certainly provide the opportunity for comparison of the basic principles of Catholic as well as Marxist ethics and for debate arising from these questions. However, I do not see our main task in this area as a search for either differences or similarities, but rather in the clarification of what kinds of moral values we can jointly bring to the attention of mankind even while mutually adhering to our views.

Even if we disagree on the differences arising in the content of the moral categories, there will hardly be anyone among us who will not support peace, the protection of human life, social and individual justice, equality, the progress and freedom of peoples, productive work, respect for our fellow men, tolerance, honesty, sympathy, honor, or one who would not consider it important for men to strive to overcome moral apathy and irresponsibility, to realize their better side, and to help each other.

However, in the interest of the moral development of the masses, it is not enough to point out the commonly shared values; it is also necessary for us to determine what human circumstances or social structures impede actual realization of values. In other words, in the dialogue, we must not only attest to the subjective side of morality, ethnical systems and values, but also to the objective conditions for positive moral changes, outlining our actions and methods in the interest of communally and individually achieving the desired gradual implementation of values in bourgeois and socialist societies alike.

Speaking shortly before his death, at the 1984 dialogue in Budapest, Karl Rahner, one of this century's most outstanding theologians, referred to the defense of human life as the precondition for all ethical debate and to life as the ultimate source of all human value. At the same meeting, the Marxists proclaimed that mankind must abandon the principle according to which we have to prepare for war in order to ensure peace. On the contrary, there must be not more but less military preparedness, fewer and less destructive armaments, if we want to avoid destruction. The preservation of peace--which is also stated in the title of Pope John XXIII's encyclical that lays the foundation

for dialogue on the Catholic side--can continue to be a strong bond between Marxists and Catholics, and it would hardly be an exaggeration if I were to state that their joint stance in this area would also have moral and political significance for world history.

The Institute of Philosophy of the Hungarian Academy of Sciences, the host of this conference, hopes that the Budapest dialogue will be characterized by an effort to better understand the other point of view, a human tone--a type of vox humana--for an exchange of ideas that will not dissolve but at least bridge the differences, and will serve the interests of the people. "During my last trip to Rome, I received the impression that the representatives of our dialogue partners also desire this," said Jozsef Lukacs in conclusion.

Vatican Spokesman Interviewed

Budapest MAGYAR NEMZET in Hungarian 15 Sep 86 p 6

[Article: "Dialogue Between Marxists and Catholics: An Interview With Cardinal Paul Poupart"]

[Text] Cardinal Paul Poupart, president of the Vatican's Non-Believers' Secretariat, gave an interview to Ferenc Garzo, the Rome correspondent of the Hungarian Telegraph Agency, in conjunction with the Budapest symposium on the dialogue between Marxist and Catholics, scheduled to be held in October.

[Question] In your opinion, what are the tasks and goals of the symposium?

[Answer] With regard to the tasks and goals of the Budapest meeting, it is necessary to take note of the topic of the meeting itself: the significance and importance of ethical values for society in the East as well as the West, and in the North and the South. If--regardless of their ideological outlook--the Budapest symposium re-awakens a consciousness of the significance of ethical issues for society, harmonic and peaceful co-existence between peoples and real human progress, then our time will not be wasted, we will accomplish our main goal.

Everyone knows that when it comes to establishing and approaching ethical values, there are basic differences between Christianity and Marxism. We are certain that this will be evidenced during the approaching symposium as well. However, there are mutually held values, such as life, peace, human solidarity and justice, which are ascribed to by both sides. The fact that the ethical issue is important for both sides is, I believe, a good starting point for the meeting of Marxists and Christians in Budapest.

[Question] Obviously, there are ideological conflicts between Catholics and Marxists. Naturally, the dialogue could include numerous mutually held points of view as well. What are the ideological or ethical points that could serve as starting points for a fruitful exchange of views?

[Answer] There are as many issues to be discussed as there are differences between the two world views. The topics to be included in the agenda of the symposium refer to some of these: the Marxist and Christian approaches to

relationships between people; the autonomy and responsibility of the individual according to the teachings of Marxism and Christianity; the Marxist and Christian views of labor; and the coexistence and collaboration of Marxists and Christians in society.

Moral questions that because of their very nature affect the concrete, everyday lives of men and societies comprise another possible element in the exchange of ideas at the meeting. Indeed, the rules influencing society's balanced life are similar everywhere (in societies where individuals do not consider themselves to be exploited, where their dignity is acknowledged and their rights are respected), because human demands are the same everywhere, regardless of ideologies and social systems. As the titles of proposed presentations indicate, we will discuss this in Budapest.

[Question] How could a dialogue between Catholics and Marxists contribute to answering the challenges of our time? Must a principled debate between Catholics and Marxists inevitably lead to conflict? Do the differences existing in principles also mean an opposition of moral emphases in everyday life?

[Answer] Catholicism as a spiritual force, and Marxism as an ideology dominating certain parts of the world are both facts of our contemporary world. As for the Christian Church, I can state without hesitation that it is ready to provide answers to the present problems of humanity. For example, let us consider the activities of Pope John Paul II on behalf of peace between peoples, or his calls to the wealthy nations to aid the poorer ones, or the way the pope defends the freedom and dignity of each individual. Let us consider the struggle of the South American Christians for justice and for the alteration of social structure. Let us remember the educational and moral efforts through which the Church strives to develop honest, just, dignified, diligent, helpful, that is, genuinely good men; men who contribute to the progress of civilized society with their activities.

When it comes to the problems of our times, Marxism has a different approach: It proclaims class-struggle and violent revolution. Can the two approaches be reconciled with each other? My honest opinion is that they cannot. We are facing two views of the world, our history and man himself; and I cannot see how these can be reconciled. As the French Catholic writer Francois Mauriac said, any theological opinion necessarily reflects some kind of social and political attitude ("Ce que je crois," p. 98). At the same time, the Church teaches us (see the Papal encyclical "Pacem in terris,") that it is possible, and even necessary, to cooperate fully for the good of mankind and world peace.

[Question] Naturally, both Catholics and Marxists define their own tasks and points of view. In view of this, I ask you, what should Catholics and Marxists do in order to make the dialogue more effective?

[Answer] As far as the Catholics are concerned, the conditions of effective dialogue were set down by Pope Paul VI in his 1964 encyclical "Ecclesiam suam." These are valid to this day:

a) Clarity in positing one's own point of view, without hiding or diminishing the truth in which one believes; b) Gentleness according to the teachings of Christ. The dialogue cannot be violent, and even less can it be insulting for the other partner; it must be peaceful and tolerant, avoiding any intellectual violence toward the dialogue partner; c) Confidence in one's own words as well as in the degree necessary to receive the words of the partner. Mutual confidence can create an atmosphere of understanding and friendship; d) Pedagogical discretion that takes into consideration the sensitivity and psychological and moral disposition of the partner.

As Pope Paul VI stated, "The atmosphere of dialogue should be one of friendship, and even one of service. We must keep this in mind and realize this in practice, in accordance with the example and the teachings of Christ."

As far as the Marxists are concerned, I consider as significant the "Guidelines for Christian-Marxist Dialogue," which Professor Jozsef Lukacs sent me recently; its contents are close to the point of view of the Church.

[Question] Is there a possibility for the continuation of this dialogue in a Western country?

[Answer] The continuation of dialogue and the study of atheism provide the rationale for the existence of the Secretariat for Non-Believers. This is a manifestation by the Church of its intention to carry on a dialogue with others in this world, including those who are not believers, as re-emphasized by Popes Paul VI and John Paul II. In other words, there exists an intention to maintain a dialogue with any willing partner and to do this on the bases of clarity and mutual respect. The meeting in Budapest will serve as a test for our future activities.

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CSO: 2500/12

POLITICS

HUNGARY

PARTY JOURNAL SERIES ON 30 YEARS OF MSZMP POLICIES

Budapest TARSADALMI SZEMLE in Hungarian No 10 1986 pp 40-47

[Editorial Series: "Lessons of Three Decades: On the Policies of the MSZMP." First article of a series of articles by the editors of TARSADALMI SZEMLE examining the achievements, problems, failures and tasks of the MSZMP since its formation after 1956.]

[Text] This article is the first in a series that will present the historical lessons from the three decades of the MSZMP: How the Party re-organized itself, how it overcame the crisis, and how it progressed to a higher level of consolidation and social organization. How did it develop its industrial and economic policies? What were the components in the radical transformation of the villages, peasant life and agriculture? What have we accomplished in order to modernize the structure of our political institutions and our cultural life? What difficulties did we have to face domestically, and how did we achieve our present position in international relations? These are the questions--among others--to which we are seeking answers, and in this series we will publish writings and essays that point to the salient aspects of socialist renewal in society's major areas. In publishing this series, our intention is to contribute political lessons to the solution of present and future tasks. (The Editors)

The Development of Political Confidence

It was inevitable that periods of varying success and dynamism succeeded each other during the last 30 years of our development. Still, the road covered represents a unified whole and offers lessons that, combined with the concrete demands of changing reality, provide an important starting point for our party. A portion of these lessons concerns the issue of political confidence, which is inseparable from our socialist progress, as it symbolizes the popular nature and socialist and democratic content of authority. Without the trust and support of the masses, without their conscious action, the party could not fulfill its historical mission, for--as is well known--communists can only build a socialist society jointly with the working masses. In other words, the party views the building of socialism not as an end in itself but also as a service to the people. Trust brings with it historical and political responsibilities. In its history thus far, and in the future as well, the MSZMP will strive to meet these responsibilities.

The party considers political confidence as one of the important resources of socialist progress and never treated it as a mere political tool. The existence and preservation of political confidence does not simply promote the realization of political goals; rather, it expresses the very substance of our policies.

The people's confidence--re-gained by us after 1956--has become political capital, the possession of which enabled us to achieve lasting and meaningful results. Subsequently, the masses came to exhibit the realistic conviction that the MSZMP is worthy of trust; it was able to lead the country out of the most severe counter-revolutionary crisis; it was able to function as the factual leader of social progress, even during the most difficult and conflict-ridden periods; its program serves not only the interests of classes and social layers, but also those of individuals. In this manner, political confidence became the driving force behind the rational and voluntary activities of our society.

We must also recognize that confidence is not a magic wand: While we cannot solve our society's problems without it, neither is it alone sufficient. As our experience shows, winning the masses over to the cause of socialism can only be accomplished through consistent political and ideological struggle and effective economic policies. Our leaders have not automatically inherited the trust of the people. There are no guarantees that trust would be unconditionally granted or that it will be retained. However, the 30-year history of the MSZMP re-emphasized two lessons: One is that the party must consider the confidence of people as a political capital that must be continuously reinforced and renewed. The other is that confidence can only be granted in the knowledge of concrete goals, and thus the everyday questions of building socialism must be answered with realistic answers.

Of course, confidence and unanimity is not complete even during times of balanced political conditions, even less during conflict-ridden, transitory periods. In addition to those who understand and agree, there are impatient, disenchanted and bitter groups. Does this represent a crisis of confidence? No. It would be dangerous for the party to judge the degree of confidence it enjoys on the basis of momentary public mood instead of actual social processes and interests. Public mood is not the absolute measure of public confidence. Naturally, we should be aware of it, but we should also keep in mind its self-inductive nature. In our party's policies, the obtaining and retaining of public confidence never implied the satisfying of wishes and desires, but rather the giving attention to the realistic interests of society--even if this means "going against the current." It is quite another story that, when it comes to applying this principle, we can boast neither of perfection nor of great consistency.

Our own history has demonstrated that wherever the principle of party leadership is not implemented, progress stops, severe conflicts arise, and popular confidence becomes unstable. It was very difficult to regain confidence, achieved only with long, consistent and gradual constructive work. The important lesson is that faith, required for popular confidence, must not be permitted to become a dogmatic blind faith, nor is it permissible for a spirit of relativism, questioning everything, to prevail.

The historical experience of the MSZMP shows that confidence can only be gained from open and honest communication, the unity of words and actions, the convincing validity of results. In addition to contributing to the strengthening of confidence, these factors have also made it possible for the MSZMP to accept realism as its guiding principle. We have adopted, and continue to maintain, the practice of revealing our problems and difficulties before the membership and the entire society. Facing problems openly, in a critical and self-critical manner, has become part of our everyday work and one of the conditions for further progress. The unity of words and actions is expressed by the practice, in effect since the consolidation, that the party promises nothing more than it can deliver. The MSZMP continues to hold that we ourselves must create the material conditions for our own progress and that "our happiness can only come about from the results of our productive work." However, we have not been entirely successful in utilizing the latter historical experience during the last decade.

Political realism is also reinforced by the acknowledgment that we are not infallible and that we can and must learn from our own mistakes and faulty decisions. It was a positive fact that our party recognized the revelation and correction of mistakes as one of the functions of the self-correcting aspects of socialism. However, a democratic publicity and a consistent system of accountability, serving the correction of mistakes, has not yet developed. Beyond the revelation of mistakes, our policies will have increased convincing power, if we will be able to prove that we are able to correct them.

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The historical course of the MSZMP answers the question: "What are the component parts of political confidence?" For our party, the defense and strengthening of people's authority was the test which proved to be decisive in the regaining of confidence as well. At the time of the most severe counter-revolutionary crisis, the revolutionary forces fighting for the preservation of workers' authority, defending the epochal achievements of socialist development, striving for the realization of Marxist-Leninist ideals--fulfilling their historical calling and serving the interests of the nation--relied on the armed forces of the Soviet Union in successfully defeating the violent attack of counter-revolution. The counterrevolutionaries, who also enjoyed the support of foreign forces, strived not only to destroy the democratic and socialist results achieved since the liberation, but--with their nationalistic and anti-Soviet incitement--also threatened the European peace, achieved with so much difficulty just a few years before.

It is the historical merit of people who put an end to this dramatic situation, that they not only knew that there was a socialist way out of the counterrevolutionary crisis, but also acted in the interest of finding the way. By proclaiming political principles that completely broke away from the mistakes of the past, the MSZMP re-organized itself along Leninist norms and successfully mobilized the forces that were faithful to socialism.

Among the reasons for the rapid re-establishment of confidence, we must also mention that in its proclamation of December 1956 the Provisional Central Committee of the MSZMP was quick to take a position concerning the mistakes and crimes of the pre-1956 years. It made a decisive break with the lawless practices of the past. It clearly stated its view concerning the reasons for the counterrevolutionary uprising and acted accordingly. It proclaimed that it would count on everyone who felt responsible for the country and for socialism, regardless of party membership.

The same document called attention to something that was unclear in the days of the counterrevolution, but which was to be proven by the fact of rapid consolidation: Communists and progressive individuals, embittered as they were on account of the grave mistakes, remained committed to the ideals and social order of socialism. In other words, confidence was not as pervasively shaken as it appeared during the days of the counterrevolution.

The MSZMP created a clear program, and a stable unity developed concerning the party's goal of continuing the progress toward the construction of socialism, based on the ideological foundation of Marxism-Leninism. One of the realizable goals was the preservation of achievements--through the consistent application of Marxist-Leninist principles--that were realized, in spite of earlier mistakes, by socialist Hungary under the party's leadership.

Regaining the confidence of the masses was expedited by the fact that the community of socialist countries--among them primarily the Soviet Union and the Chinese People's Republic--contributed to Hungary's consolidation with merchandise and credits. Based on the Leninist principle of internationalism, our party strengthened and developed our country's alliance with the Soviet Union and with the countries of the socialist community. This remains the current basis and unchanged goal of our cooperation and alliance.

In analyzing and learning from the domestic and global lessons of the early 1950s, our party rejected the mistaken concept of one exclusive model for socialist development and the practice of automatically copying the Soviet example, and corrected the mistakes that frequently arose from these. At the same time, its policies continued to make use of the commonly applicable laws and experiences derived from the building of socialism. The party endorsed national traits and specifics, in that it took into consideration geographic and economic peculiarities, and cultural and historical traditions in defining tasks.

Popular confidence also gains much from the fact that even in today's tense and complicated global situation our country can count on positive evaluation in the international arena. The deterioration of our international trade situation and our domestic problems during the last decade and a half demand increased efforts from us in order to improve our economic productivity and strengthen our international position.

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The leading position of the party and its role in leading society can only be manifested when public confidence and consensus exist. Under the changing

conditions arising in the course of building socialism, the very act of exercising this leadership role must be modernized. Our own historical experience shows that leadership role cannot be confused with being an infallible supervisor or a dictator involved in every aspect of life. This function becomes genuine when the party directs the social processes with the consent and active participation of the people. This principle is served by the practice according to which in our country every leadership post, with the exception of party positions, can be filled by non-party members.

From the day of its reorganization, the MSZMP emphasized that it wishes to become a communist party that exerts its activities in the interests and in the service of the people. It claims no privileges for itself; on the contrary, it strives to enroll as many non-party members as possible in the thoughts and actions of the community. This is not contradicted by the historical experience according to which the party must always be at the vanguard of socio-political progress.

Following the counterrevolution, it strengthened the confidence of people in the MSZMP that it included in its ranks and its leadership those communists who had been fighting, decisively and in a dedicated manner, against the aberrations of earlier political practices and for a socialist renewal since 1953. Not only during the time of the consolidation, but in later years, too, it was of decisive importance that the communists achieved practical results that gained more confidence for the party.

The passing years have proved that the early 1950s did not represent a crisis for socialism as a social order, but only for certain concrete political practices that surfaced in the name of socialism. The MSZMP openly and decisively broke with the sectarian-dogmatic practices, as well as with those of the revisionists, and was able to renew its policies in a two-front struggle, thereby reestablishing party unity. This demonstrated in a practical manner that the aberrations and mistakes occurring in the course of building socialism, the subjectivism and the lawless actions, do not derive from the nature of socialism--as our enemies proposed--but, quite the contrary, they are alien from it, militate against realizing the substance of the socialist system, and endanger it.

The bureaucratic leadership methods of the earlier years, which tolerated no contradiction, also severely poisoned the atmosphere of confidence, and the newly organized party decisively distanced itself from these practices. The reestablishment of Leninist norms in party leadership, the principles and practical measures serving the purity of party life, the guaranteeing of free and democratic debates not only served to strengthen popular confidence in the party but also contributed to the theoretical, political and active unity of the MSZMP.

The correct alliance policies of the MSZMP directly contributed to the strengthening of confidence and assured that increasingly larger masses would become involved in the building of socialism and in public life. The same goal was also served by the attractive goals, the new principles of economic policy, and the revival and strengthening of alliance between the classes and layers of the working population. Within the framework of a one-party system,

the party strived to create a broad popular front movement that would gather all active, progressive citizens of the country around the working class and the party.

Naturally, the creation of a feasible national unity did not proceed without problems. There were debates in the course of making people conscious of the basic identity and differences of interests, and even of creating the alliance.

The party always considers the confidence of the working class as an important factor. It recognized and, whenever possible, fulfilled the valid and realistic demands posed by the workers, but it was consistent in rejecting demagoguery in support of extreme, unrealistic demands. During the years of consolidation, it turned out to be one of the party's sources of strength that it took on "unpopular" tasks, that were necessary for the re-establishment of order, the re-starting of a productive process, and the normalization of political life. This required patience and rational attention, as well as decisiveness, and the party was able to meet this challenge.

As the leading class of our society, the working class still has a decisive role in our progress. The development of their situation and their opinion remain important for the party, as they help in developing and realizing the correct policies. This is the case, even if--due to the growing worries and tensions--the critical voice of the working class is becoming increasingly sharp.

The members of the agricultural cooperatives have become firm allies of the working class during recent years. The leadership of the party speaks openly of the mistakes previously made in agricultural policies, the administrative coercion exerted at the time the cooperatives were organized. At the same time, not one of the party's decisions and declarations questioned that the improvement of Hungarian village life and the growth of Hungarian agriculture could only be achieved with the complete victory of the cooperative movement. When the socialist reorganization of agriculture was once again put on the agenda, the party's attention was directed not only to maintenance of free choice and gradualism, but it also strived to maintain, even increase, the level of production during the years of transition.

Based on the principles of alliance, the agrarian policy of the party set and accomplished dual goals: It increased the productive incentives for the individual plots, it motivated the peasants to increase their level of production. It also stabilized the cooperatives, guaranteeing that both their production resources and their productive level permanently and significantly increase. During the 1960s, after the socialist reorganization of agriculture, the autonomous management of the cooperatives was strengthened; their rights and opportunities were broadened. The close alliance that developed between the two primary classes of society contributed to mutual confidence and to the practical application of the MSZMP's agrarian policies based on Leninist norms.

Renewing and stabilizing the alliance with the intelligentsia required a similarly great amount of patience and understanding, as well as principled

firmness and consistency. In the spiritual life of society, and especially in cultural life, the crisis and the counterrevolution left serious consequences. A segment of the intellectuals came under the influence of confused, retrograde influences. Many of them did not believe that the Hungarian communist movement would be able to correct its mistakes. In order to win them over, it was necessary not only to debate with them and convince them, but also to demonstrate that the political leadership welcomed and utilized the contribution of intellectuals in working out political decisions, in revealing actual socio-economic conditions, and in implementing policies. The MSZMP's cultural principles, proclaimed in 1958, approached the intellectuals on the basis of confidence. They were based on the expectation that the artists, writers and poets would contribute with their progressive, humanist and socialist creations to the enrichment of our knowledge, the formation of a socialist world-view, and the development of popular taste.

A significant portion of the intelligentsia responded well to this confidence. True to their best traditions, they joined the vanguard of progress and contributed to eliminating the traces of the counterrevolution, to the new start, and to socialist consolidation.

As the role of Marxist intellectuals grew, the autonomy and responsibility of scientific and artistic creative centers increased. This independence and responsibility have been manifested in the debates of our cultural life, even if Marxist views were not unanimously supported at these forums. For example, we frequently had to oppose views that either over-estimated the role of the intellectuals or under-valued it.

Frequently, the conflict of views resulted in stormy tensions and expressions of emotions. Still, the party considers it important that these types of exchanges take place. At the same time, these debates have only a clarifying value, if they succeed in creating mutually acceptable positions that can serve as bases for future actions. This has not always been the case. Winning over the distrustful or indifferent segments of the intelligentsia calls for improved theoretical-political work, as well as patience on our part. The situation is entirely different when we encounter efforts that are alien to our ideology, that distort our socialist conditions, oppose our socialist system and deny our values. In such cases the party will apply sufficient force and--if necessary--administrative measures to prevent such efforts from gaining support.

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One important element of confidence is for society to have a system of values, with the ability to stabilize with its norms and provide perspective and stimulation with its attractiveness. Values of society become integrated and normative if everyday experiences strengthen their validity and usefulness. If the experience of people conflicts with the value-models, then their confidence even in the most attractive and highly touted values will be shaken. It is paradoxical, for example, that while we are committed to the implementation of motivation, we are unable to prevent the devaluation of one of our greatest assets, productive work.

Values are frequently present in the conscience of individuals and communities in a confusing form. The circumstances of our life, which are changing toward our socialist goals, are primarily influential in forming socially decisive and accepted values. Ideology may be helpful in stabilizing a socialist system of values, but still, these are primarily shaped by actual conditions; and this reality includes values reflecting progressive, socialist relations, old values stubbornly resisting changes, as well as outside values and fads transmitted via international mechanisms.

Ideological doldrums; passivity? lack of confidence? Is the ideology of Marxism lacking theoretical foundations, theoretical-political sensitivity, readiness to debate?

These question reflect an uncertainty concerning Marxist ideology. Indeed, passivity and ideological uncertainty have grown during recent years. In seeking the causes, it would be unfair to attribute all the blame for this to our ideological activities. Our goal is to reveal the causes and the problems and to improve our ideological work, strengthen our theoretical influence. Even if we cannot immediately answer all the theoretical questions brought on by our progress, we are guaranteeing that the conditions for ideological work will improve. We must take advantage of the possibilities offered by these conditions, both in revealing reality, pointing out the direction of progress, and in the development of theoretical stimuli for more effective social activity.

Open, democratic debates can equally aid in the healthier operation of intellectual forces, the process of theoretical clarification, and the mobilization of society in general. We do not need the general proliferation of debates but more exchanges of views conducted in a well-prepared, responsible manner. Let us not be afraid to say it: without greater courage and an increased readiness to debate on the part of Marxist intellectuals, up-to-date, socially relevant answers will continue to be delayed. Answers and debates of this kind are also needed, because the ideological vacuum and the inner ideological requirements of the recent years are satisfied by other world-views. Our entire intellectual life is responsible for illuminating the actual theoretical and class content of time-worn bourgeois ideals, conservative concepts and bourgeois propaganda efforts. If we are not familiar with this, certain segments of our population will be easy prey to liberal ideas, privatism, conservative values and anti-Marxist views (in the guise of criticism).

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Thorough changes in economic policies, and reforming and modernizing leadership practices have also served the realization of the party's policies. Bringing higher standards of living, according to the promises of the party, had a fundamental significance. Together with other factors, primarily the renewal of agrarian policies, this provided the basis for re-gaining the confidence of the masses, assuring that the majority of the people would become allies, that a consensus would develop, and that national unity would become stronger. During the late 1950s our standard-of-living policies were determined by providing plentiful and quality products to satisfy consumer

demands, and by improving the availability of goods. During the 1960s and 1970s the improvement of living conditions came to the focus of our attention. It became increasingly more important to provide more and better residential services, to improve the community services to the settlements, the reduction of tensions noticeably accumulating in the area of dwelling-supply, and the creation of guarantees for better existential security for society.

Naturally, defining and realizing our economic goals during the past three decades have not proceeded without conflicts or mistakes. For example, during the early 1970s certain one-sided conclusions were proposed concerning private household plots. However, the consequences of temporary administrative measures have made it clear that it is a mistake to stage a confrontation between these household plots and socialist property, because [small-scale private agricultural activity] is a peculiar production form, a fundamental, organic part of Hungarian agriculture and food supply. Its survival is a matter of interest to both the producing and consuming segments of the working class.

Currently it is our economic policy that bears the brunt of the load when it comes to maintaining public confidence. This is the area where conflicts are most frequent, where the various interests oppose each other, where most of the difficulties arise. Taking all of this into consideration, it should be a source of increased optimism that the party has always been able to initiate and direct necessary reforms. It knows that new results can be achieved only by solving the conflicts that come to the surface. Whether in the area of industrial production, or in other segments of economic construction, the results and accomplishments of the past three decades are not to be belittled. This must be emphasized, because neither confidence nor economic dynamism can be created on the bases of pessimism, indifference or overconfidence. All of our past achievements serve to demonstrate that even under the most difficult conditions we have been able to succeed, if we applied extra efforts, discipline and hard work.

In order to solve the problems facing us, to enliven economic progress, to implement the dynamic and lasting consolidation of intensive management practices, we need to improve our consistency, analyze our own work more critically, and introduce improvements at every level, in leadership and execution alike.

It is not easy to retain confidence in our economic policies at a time when the planned changes will inevitably mean additional burdens for the population, too. The party is not taking advantage of people's tolerance and understanding. Our measures demonstrate that the party takes into consideration the limits of the people's ability to tolerate conflicts, and it strives to make further advances not by increasing the burdens on the population but primarily by improving the effectiveness of economic management. We continue to believe that our political influence and prestige are strengthened not by avoiding conflicts--in fact, we should face more of these--but by consistently solving them. The active support of people can be gained by eliminating even the most difficult problems and worries, if this is accomplished in a politically suitable manner.

The validity of our policies can most certainly be strengthened by instilling in people the conviction that our current problems and difficulties are not insoluble. It has been demonstrated, for example, that one of our greatest achievements is guaranteeing full employment. There is no inevitable conflict between full employment and effective use of the labor force; surplus labor can and must be re-deployed in areas where it is genuinely needed. This could result in improving the inner organization of the work-places, as well as in better implementing demands and interest relations. However, this is not merely a question of economic approach: Whenever the value of work is not in its proper social place, an important aspect of people's lives and the system of values suffer. We need to see a consistent application of material incentives in our economic practices. It is still possible to earn too much money by performing substandard work, and this also mocks the honest and hard-working people's sense of justice.

The introduction of new practices in enterprise management may contribute to the improved performance of proprietary functions and enable the collectives to more effectively participate in the exercise of both the supervisory and controlling functions. Increased consistency in clarifying and implementing the areas of authority in the decision-making and accountability processes provides a clearer picture of the supervisory structure and makes it possible for accountability to be applied in a more consistent and direct manner.

Broad-based social demand for increased orderliness, consistency and responsibility reflect people's confidence in the policies of our party. Order and democracy are not contradictory terms; simultaneously enforcing both of them can be accomplished only by relying on the strength and confidence of the communities.

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The past 30 years have been equally rich in accomplishments and lessons. It is our responsibility to learn from the lessons and to convey our experiences to the next generations. One thought worthy of consideration: those who participated in the 1956 conflict are approaching retirement. Regrettably, we have around us fewer and fewer members of the 1919 generation, veterans of the Spanish Civil War, former underground combatants, who have been reliable supporters in defending the people's power and socialism. Most of our country's current citizens were born after 1956. At best, these 30-40-year-old individuals have only personal recollections of the consolidation or the radical transformation of Hungarian villages but no political experience concerning these events. The latter are particularly important now, when we are faced by the worries of slowing progress or stagnation. If it is more difficult to earn a living than before, if social justice is frequently infringed upon, if our principles are severely tested in everyday life, if communal thinking and action sometimes become secondary to individual interests, if the desired goals and the energy to act in their interest have difficulty in finding each other--we must seek out ways to improve our situation.

Here, too, we must rely on our experiences, the lessons we have learned--that there is no force able to substitute the active, unified activity of communists; that the consistent execution of defined goals was crucial even during the ascending period of our development; that just as in the past, in the future, too, we must distinguish our allies from the empty talkers, the creators of pains, the chasers of illusions, the obstructionists, the retrograde individuals; that we must be aware how dangerous indifference, lack of perspective, loss of faith and political-ideological disorganization can be.

Our political experiences teach us that--by uniting their energies and subordinating everything to the interests of the community and the people--the forces of socialist progress have found solutions to problems that were incomparably more difficult than the ones we are facing today.

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CSO: 2500/29

POLITICS

HUNGARY

## MORE EFFECTIVE METHODS OF TEACHING MARXISM-LENINISM SOUGHT

Budapest FELSOOKTATASI SZEMLE in Hungarian Jul-Aug 1986 pp 411-416

[Article by Dr Eva Bodnar, docent, Budapest Technical University: "Varied Methods--More Effective Teaching of Political Economics"]

[Excerpt] The effectiveness of teaching, the success of knowledge transfer is being enhanced by various means of demonstration. Not even the best prepared lecturers sufficiently integrate demonstrative tools into their work of teaching. It has happened, that not even the most easily accessible tool--the blackboard--is being utilized, even though results would be better by using a blackboard than without using it. It is hard to decide what prompts this conduct: whether it is custom, convenience, tight time schedules, the lack of demonstrative tools, such as blackboards and diagrams, or if it is some other circumstance that plays a role. Since most students think in visual terms, this aptitude cannot be disregarded in the teaching of political economics.

Unfortunately, at the higher levels of teaching political economics there is a great shortage of modern educational tools. The infrastructure of the educational process is at a very low level. There are institutions, departments, that have script and slide projectors, and have one or two adding machines. Moreover, in some places they are working on establishing the conditions for video projection, but the programs, the auxiliary materials needed for the most important subjects are missing, and so is the cabinetry and the personnel needed to maintain the equipment. The acquisition of educational tools requires no paltry sums of money. Obtaining finances needed for such educational tools today appears as virtually impossible. Nonetheless more could be done in the field of modernizing educational technology, even without owning expensive educational tools. It would be worthwhile, for example, to revise and to modernize the set of slides that accompany the textbook on political economics.

Classes could be made productive by utilizing those articles and broadcasts of daily newspapers, periodicals, the radio and of the television that pertain to

economics. The magazine HETI VILLAGAZDASAG, as well as other papers are read by many, and some of our students would likely be willing to "share" the information. The teacher could organize a periodical "monitoring" service, which would make the structured integration of actual news items appearing in these media into the teaching of political economics possible. Even during classroom hours, students who bring along new data, some current news, could be recognized by providing a platform for the presentation of these items. Excerpted summaries of studies dealing with new theoretical approaches could also enliven classroom hours.

I had students who spontaneously brought to class what they have read and seen. Their subjects often coincided with topics covered in lectures. One of my students, for example, brought along his radio and an audio tape containing a 30 minute report concerned with some actual problems of the black market in Hungary. There was vivid interest in the "broadcast" and things that were said were followed by a lively debate. Not only the subject matter but also the unusual format evoked this reaction. These favorable results prompted the idea that teachers too may record broadcasts concerning the most interesting current policy issues. They may incorporate such broadcasts into the curriculum, provided that timely notice of the broadcasts of RADIONAPLO, HIRHATTER the EKONOMIST, etc. is received, and provided that the means required to record these broadcasts is available, etc. But this becomes even "less costly" if teachers can call the students' attention to these resources in advance, and remind them of the fact that with respect to certain individual subjects, these too are part of, for example workshop activities. To what extent such efforts become successfull depends on the preparatory organizational work of the various departments, of specialized groups and of individual teachers.

From time to time, with respect to certain subjects, games may be utilized to supplement lectures, to encourage the development of thought and to enliven lectures. A "monitoring" service may be organized which may select the most appropriate films that are available or are being prepared, and may suggest the projection of such films to individual specialized groups, to departments and to groups of students. Several student groups may be combined into small learning groups. This cannot be accomplished easily because classes take place at varying times. If needed, however, a switching of subjects may be initiated in order to achieve a change in class schedules. A well chosen film will evoke favorable reactions from students. For the sophomore class in architectural engineering, for instance, we presented the Soviet movie entitled "What would happen if ...". At the time we were dealing with the subject of "socialist enterprise." The movie dealt with the subject of transferring the management functions of a large enterprise to youth, for a one month period. Not only was the movie entertaining, it was also thought-provoking, since it dealt with subjects that are of current interest in Hungary. A majority of our students reacted favorably to this initiative and interpreted its lessons well. Following the projection of the movie there ensued lively conversation and debate. We recommend the viewing of this movie to every institution, to every department.

It would be desirable to relate practical life experiences as broadly as possible to the teaching of political economics. In this respect we are

enjoying the benefit of many years, indeed, several decades of experience. We are jealously caring for maintaining our relationships with industrial enterprises, with the construction industry, with institutions and with managerial authorities. Plenary lectures, consultative discussions at the level of student groups, the linking of TDK [expansion unknown] compositions to economic and other relevant policy issues, all have provided and continue to provide opportunities for a closer linkage of theory and practice. This trend is being supported both by departmental scientific research and by commissioned works. Outside expert consultants are frequently being invited to departmental, party or specialized group conferences. The lectures and discussions of these expert consultants broaden our knowledge with respect to issues concerning prices, credit, the external economy, etc. Colleagues from within the university enhance our knowledge with respect to problems of architecture, of the construction industry or concerning water resource management. All this enhances the effectiveness of teaching.

In the framework of higher technical education we must endeavour to "phase in" the [political economy] departmental specialized characteristics into the curriculum. This can be accomplished both at the basic level of teaching as well as within specialized colleges. Almost every subject within the basic curriculum is suitable for the establishment of a linkage between political economics and the policies of the profession. There are certain chapters in which illustration offers the most suitable method, but in many instances the adaptation of general theoretical issues to the profession offers itself as a possibility. The socialist political economy and the system of specialized colleges provides a linkage with the profession on a broad scale. Our [political economics] subjects are closely related to the characteristics of individual technical departments, but specialized colleges dealing with general theoretical issues, that is with issues pertaining to economic policy also offer a rich choice [for phasing in our teachings concerning the political economy.] Students' reports, specialized compositions, TDK compositions, etc., are all closely linked to the profile of the technical university. If this linkage can be successfully established, it is not only knowledge that can be intensified, but it can also be proven why the technical intelligentsia needs to know about the political economy.

Teachings in the field of political economics, or a few classes in this field may be linked to the regularly scheduled college curricula. Various experts in fields related to issues of political economics, e.g. the Council for Mutual Economic Assistance, standard of living, wage policies, etc., are frequently being invited to colleges. If the lecturer who leads the study group listens to these lectures, he may save in whole or in part the classes scheduled for the same topics, and may reallocate the time thus freed to workshops. This has the benefit of not only gaining extra time beyond the mandatory classroom hours, but also of yielding a definite opportunity to visit with the students in the college. There the teacher may participate in the debate brought about by the lecture, and he may motivate the student to debate. It is advantageous, of course, if students are notified of such visits in advance.

Shaping student attitudes is also among our tasks. Attitude formulation in the teaching of political economics means the realization of a dual goal: the

establishment of first, a Marxist-Leninist outlook, and second, an economic perspective. Both must permeate each and every aspect of teaching: the lectures, the workshops and individual studies, the TDK-s and other activities. The students' perception is being affected by the teachers' preparedness, their human behavior, and by all outward expressions of which we often do not even think about. Even the method by which we seek to account for the students' knowledge will affect the students' attitude.

In shaping attitudes a realistic accounting of accomplishments plays an important role. In every field of life, including university life, people are inclined to over-estimate their own accomplishments, while under-estimating the accomplishments of others. It is no small task to instill into students the need for a realistic, unexaggerated assessment of accomplishments as well as of mistakes. One way to accomplish this is to get students used to evaluating reports and home work openly and jointly during class hours. This will not occur instantly. Stated more accurately, one must allow some time before a student will express his independent opinion. An opportunity must be established for each student to participate by trying out his capabilities. Both mandatory and elective work must be evaluated. A word of praise, a good grade is meaningful both in full-time and in adult education. Students have a way to think practically: is it really worthwhile to concentrate on a given subject, to what extent will it affect the grade, etc. If these considerations are meaningful, and span throughout the entire semester, moreover, if they are measurable, the positive results throughout the semester will follow as a matter of course.

University departments concerned with social sciences are not the only ones concerned with the shaping of student attitudes. All university departments, as well as social organizations and the entire society as a whole participate in the shaping of attitudes. There is a close relationship between the effectiveness of our teachings and the environment outside of the university. Our task is easier if the outside environment is balanced, if society and the standard of living are in relatively good shape. In such periods we can almost tangibly feel our success. In periods of economic difficulty, on the other hand, we are being held responsible for virtually every problem that exists in this nation. In such situations even our best arguments, our most intensive teachings, our most up-to-date methods yield less results.

So that our teaching and educational work may become more effective than it is today, we must record our experiences, we must convey the methods that have proved to be successful. We must prepare an "inventory": what has proved itself to be successful and where we stand today. In this way it will be possible to designate the directions and ways of progress.

12995  
CSO: 2500/21

POLITICS

HUNGARY

SLOW GROWTH OF 'LOCAL DEMOCRACY' ALLEGORIZED

Budapest ELET ES IRODALOM in Hungarian 10 Oct 86 p 13

[Article by Gusztav Megyesi: "Garbage Heap"]

[Text] When--during the most recent broadcast of the television program "New Reflector Magazine"--I saw an elderly man exclaim in a choked-up voice that Tihany has been turned into a garbage heap, the women standing next to him also spoke out angrily about the terrible situation, and the camera panned to the representative of the local council, showing his acute embarrassment, I had the definite feeling that I had already seen these people somewhere. Yesterday or the day before, last week, or perhaps as early as last year--they had stood around a garbage heap, in the same positions, spewing forth the same angry exclamations: Here is this garbage heap, the local council allows it to stink up the place without asking anyone's opinion, thus completely ignoring the principle of local democracy.

Of course, I could not have seen the same people together. The ones I saw were not from Tihany but from Budapest, or from Nagykanizsa, or from anywhere in this country, from the hills or from the plains, from the towns or from the cities' outlying districts . . . They only assemble on the TV-screen of my memory, consolidated by the mountain of waste that crops up with weekly regularity in the broadcast media's domestic politics segments devoted to the issues of local democracy.

I have always suspected that the depiction of constantly developing local democracy is not as simple as many people imagine. The major problem with the initiatives coming from below and the conflicts between local and higher interests is that it is difficult to make films of them. It requires extraordinary imagination and tricks to convey the spirit of democracy and desirable conflict of interests to the living rooms of the viewing public. I knew that Hungarian television would eventually come up with a solution, but I had no idea that the garbage heap would become the testing ground for democracy.

What is the attraction of the garbage dump? Perhaps the fact that it can be so photogenic? Its details? The countless tin cans, plastic bags, mixed with some construction debris, worn-out coats and cinders? Or maybe the manner in which the disorganized components are

formed into a healthy entity? Or the fact that, while every garbage heap looks the same, each of them is different? Maybe it is not the garbage heap itself but the way people stand around it? In every democratic report, people stand around the garbage heap. There are the women who bow their heads in response to the reporter's question and only later look toward the oldest local resident: He would tell the camera what the council is perpetrating.

The most likely answer is that a garbage dump evokes ideas. The reporter smiles in a conspiratorial way as he clasps his hands; he knows perfectly well that all of us are surrounded by garbage heaps of various size, and thus every member of the public is a prime customer for the report. The garbage dump is not only a concrete item, it is also a collective experience. At the same time, it also creates the necessary state of excitement, in which it becomes easy to sell the following thought: "Once again it has been proven that the population must be informed in time. If they had been told about the garbage dump in time, this conflict would not exist." The argument sounds so convincing that one barely thinks of this: Just because they announce its creation beforehand, a heap of garbage remains a heap of garbage. No matter, the primary requirement of democracy is to make a timely announcement: "There will be a garbage heap."

At the same time, a responsible person must also be found. In reports concerning mountains of waste, the viewer is always told that someone is responsible: usually a council functionary, a negligent building contractor, a small entrepreneur who leaves rubble behind, or a truck-driver who dumps garbage at the edge of town. The second requirement for democracy is to call the responsible persons to account. Of course, the garbage dump remains untouched, but at least we have the culprit.

The awesome aspect of these reports is that not only do they present obstacles to the growth of our democracy but also provide glimpses of future developments. After all, if today we are presented a small heap of garbage, it is also implied that tomorrow we will be shown a larger one. Then an even larger one, until finally we will encounter the largest garbage heap, with every one of us standing around it. Of course, there are many steps leading to that point. For the population, the course to be followed is similar: At first, we must learn about democracy at the bottom of our own garbage heaps (the population of Hungary is not mature enough yet; they must learn about democracy); later, at the district, town or county level, we will be allowed to enter larger and larger arenas. After all, the television-screen makes everything so simple: See, democracy develops /in a linear manner/; but we must be patient and first acquire the basics.

We are sitting in rows like so many pupils, so that--after demonstrating conduct suitable for advancement--we may enter higher grades, until we arrive at the peak of a terribly large heap.

13201  
CSO: 2500/28

POLITICS

ROMANIA

ROUNDTABLE ON SOCIALISM, PROGRESS IN TODAY'S WORLD

Bucharest ERA SOCIALISTA in Romanian 25 Apr, 25 May, 10 Jun 86

Excerpts from discussion by Univ Prof Dr Florin Balaure, Univ Prof Dr Ion Bulbo-rea, Univ Prof Dr Gh. Al. Cazan, Univ Prof Dr Gheorghe Cretoiu, Dr Eugen Dijma-rescu, Univ Reader Dr Victor Duculescu, Univ Prof Dr Ion Florea, Univ Reader Dr Constantin Forea, Liana Ionescu, Dr Ion Mitran, Dr Marin Nedea, Univ Prof Dr Vasile Nichita, Univ Prof Dr Petru Panzaru, Univ Prof Dr Marin Popescu, Univ Prof Dr Ion Tudoseescu, Univ Prof Dr Ovidiu Trasnea and Univ Prof Dr Constantin Vlad/

No 8, 25 Apr 86 pp 41-48, 527

[Excerpts] Nicolae Ceausescu said, "Socialism is the only alternative to a society divided into exploiting and exploited classes and the only way to socioeconomic progress and a better and more just world."

The completion of 65 years of the RCP's glorious history calls for a review of its prodigious activity on behalf of revolutionary social reform and successful construction of the new social order in Romania. In the years of socialism and especially since the Ninth RCP Congress radical economic, social and political innovations have been made in Romanian society under the RCP's leadership that completely changed the face of the nation and the way of life of all the people. Romania passed through several stages in a brief historical period, namely the establishment of the people's democratic power, the acquisition of all economic and political power by the working class in alliance with the working peasantry, the accomplishment of the tasks of the socialist revolution, the success of socialist construction, and the consolidation of socialist society and the start of construction of the fully developed socialist society.

The Romanian people's great achievements under the RCP's leadership in building the new order, in rapid development of industry and agriculture, in scientific and cultural progress, and in betterment of the workers' material and cultural welfare are eloquent evidence of the superiority of socialism and the creative power of a people who are complete masters of their fate and who are purposefully building their future. As Party General Secretary Nicolae Ceausescu said, "We have proved by our work and our activity that socialism is the only system that assures mankind and every nation of freedom, progress, welfare and independence!"

As a regular, objective requirement for social development and the historical process of elevating mankind to new and higher levels, socialism denotes the advance of a new kind of national and international socioeconomic and political progress. Romania's experience as well as that of the other socialist countries shows that socialist society gives rise to some new and important motive forces and mechanisms and forms of social progress, opening up a bright future to mankind and the way to abolition of the profound social and national inequalities and to a better and more just world. It is accordingly not difficult to understand why the relationship between socialism and social progress is central to discussions of ideas and theoretical confrontations in international political-ideological affairs today.

In connection with the many political-ideological and cultural-educational demonstrations devoted to the RCP's glorious anniversary ERA Socialista arranged the following discussion intended to examine some aspects of the dialectical relationship between socialism and progress and of the role of the new order as a major factor for the progress of man's evolution and to bring out the historic achievements of Romania and the other socialist countries, which "provide very cogent arguments that in themselves demonstrate the superiority of socialism over capitalism," as Nicolae Ceausescu pointed out.

The discussion is also intended to refute the propaganda of the reactionary imperialist circles, who regularly try to distort the facts of the socialist countries by encouraging reactionary, antisocialist and anticomunist views, trends and forces.

#### The Socialist System As a Higher Stage of Historical Progress

CONSTANTIN FLOREA: The present period is chiefly characterized by mankind's transition from capitalist to communist society, a growing number of countries' commitment to the course of the new order, and the conversion of socialism to a powerful world force and a factor with a growing influence upon international affairs and mankind's development. In a relatively short historical period socialism has been transformed from an ideal of the most advanced social and political forces to a living reality reflecting the peoples' vital aspirations to a more just and more rational society and to progress and civilization.

The progress made by Romania and the other socialist countries and the prospects opening up for the peoples of those countries demonstrate socialism's ability to stimulate economic development and progress, to keep improving social relations and institutions, and to generate and promote new social, ideological and cultural human values. In other words the historic results of building the new order reveal the potential and the vast resources of socialism for revolutionizing all sectors of society and for opening the way to its rapid, harmonious and all-around progress both materially and culturally and both nationally and internationally. Socialism is the most advanced system that mankind has known, capable of giving every people complete social and national liberation and a free future in keeping with their own aspirations.

In defining the position of the new socioeconomic system in man's evolution, the RCP Program says, "Communism, the new order, opens the way to unrestricted development of the productive forces, coordinates them with production relations, and permits complete fulfillment of man's aspirations to a world of social and

national justice and achievement of the ideals of distribution according to the individual's material and cultural needs and of construction of a world of collaboration and peace." Socialism is not only the necessary expression of progress wherein the antagonistic social contradictions inherent in capitalism are eliminated and some developmental levels reached by the old order are surpassed. It also inaugurates a new kind of national and international socioeconomic and political progress radically different from the kind characteristic of societies based on exploitation and oppression.

By making the peoples the sole and full masters of their fate and by abolishing social and national exploitation and class and national antagonisms socialism releases the masses' initiative and creative power, radically changes the political and socioeconomic mechanism, introduces original features and elements into social practice, and creates new stimuli that vitalize a society's whole material and cultural development. The new order opens up broad prospects for progress in technology, science and culture, changes them from concerns of an elite to a possession accessible to the masses, and makes it possible to overcome human alienation and to fully develop the individual and his personality in the context of a democratic society that guarantees and assures actual exercise of the basic rights and freedoms of the individual and of the peoples. Socialism also creates the necessary conditions for complete unity between the states' domestic and foreign policies and for promotion of a new kind of international relations and a policy of independence, peace and widespread international collaboration reflecting the inherent interdependence between socialism and peace.

The results of socialist construction in Romania bring out the new order's power to lend new and qualitatively higher meanings to social-human progress and to the advancement of the peoples' critical role in man's historical development. Major changes in the country's general development have been made under the RCP's leadership in just a few decades, and several historical stages have been traversed in the transition from the old bourgeois-landowner order to the socialist order and construction of the fully developed socialist society. Thanks to the efforts of the working class, peasantry, intelligentsia and the entire people, capitalist-landowner ownership of the production means and social and national oppression and exploitation have been eliminated forever, a uniform socialist economy based on state and cooperative socialist ownership has been established, and the socialist principle of distribution of the social product and national income on the principles of the ethics and justice of the new order has been implemented. On that basis the productive forces have been intensively developed and Romania has been transformed from an agrarian country with an underdeveloped agriculture and industry to an industrial-agrarian country with a strong and modern industry and a fully developing socialist agriculture.

Intensive development of the productive forces and formation of new social and production relations revolutionized the class structure of Romanian socialist society, and great revolutionary changes were also made in the entire Romanian people's levels of culture and awareness. Education, science and culture have been intensively developed and are playing an increasingly important part in Romania's whole revolutionary reform. The people's standards of material and cultural civilization have been raised steadily, and Romania has emerged more and more effectively as an active factor in the struggle for collaboration, disarmament and peace and for a better and more just world.

All these notable achievements demonstrate the viability of the socialist principles and the strength and viability of the new order. The party general secretary said, "We can proudly say about the course of Romania's development throughout its difficult and troubled history that socialism alone has made it possible to remedy the lags and underdevelopment rapidly and brought about Romania's swift progress in all activities. Throughout that period the RCP honorably accomplished its historic mission of organizing and leading the Romanian people's labor and struggle for the great revolutionary reforms and the victory of socialism. The great progress made demonstrates by the facts the correctness of the RCP's policy in creatively applying the scientific principles of dialectical and historical materialism and the general truths to Romania's particular conditions."

An outstanding part in the party's activity and in socialist Romania's whole development was played by the Ninth Party Congress, which lent great vitality and a new quality to development on all levels as well as a revolutionary, innovating spirit in socioeconomic activity and inaugurated the period most productive in achievements of all Romanian history. This new trend in national development and the progress made along the path marked out by the historic congress are inseparable in the awareness of the party and the Romanian people from Nicolae Ceausescu's tireless, innovating work at the head of the party and state and from his telling contribution to preparation of the national policy and programs for socioeconomic development and to management of the efforts to implement them.

A review of the nation's development in the last few decades brings out even more clearly the correctness of the course taken by our glorious party 65 years ago at the historic congress of its making and the full coordination of its revolutionary principles and the purport of its whole activity with the interests of the people's welfare and happiness, of strengthened national sovereignty and independence, and of Romania's all-around progress.

The guidelines of the RCP Program and the decisions of the 13th Party Congress and the Plenum of the RCP Central Committee in April 1986 can bring about new and important successes on all levels in the revolutionary reform of Romanian socialist society, as the current five-year plan is intended to mark Romania's transition to a qualitatively higher stage of material production and all other sectors in close interdependence with the latter.

Of course any realistic evaluation of the tasks of each stage calls for resolution of many difficulties and some contradictions. Experience tells us that construction of the new order is no triumphal march or easy advance, devoid of obstacles, on the path of progress and civilization. On the contrary it is a complicated process involving many difficulties and some failures and defects to overcome as well as certain contradictions, malfunctions and discrepancies generated by internal causes but also by unfavorable international conditions. Therefore the concept of continuity of the revolutionary process substantiated by Nicolae Ceausescu calls for a realistic approach to the failures that occur in the course of development, consistent promotion of the RCP's critical and militant revolutionary spirit in practice, institution of an atmosphere of order and discipline in every workers collective, and a determined effort to do away with what is outmoded and to promote what is new and advanced. To be sure increasingly intensive promotion of socialism as a vital factor for progress in

this period is not easy, but it is the only real and viable way to mankind's development, to fulfillment of the peoples' vital aspirations, and to a better and more just world.

Those are only a few of the many aspects of the subject we are going to discuss, and of course they must be examined in the light of experience with socialist construction in Romania and of current revolutionary practice in general.

PETRU PANZARU: The notable progress made by Romania and by other socialist countries as well in a brief historical period bears witness to the superiority of the new social order and the fact that socialism is not only a reflection of historical progress but also a powerful factor for stimulating and accelerating it. This point should be made particularly because most of the socialist states were countries with low or medium levels of development of their productive forces compared with the countries where the classic bourgeois revolutions had won out long before, although the socialist states arose successively in different periods and circumstances. Accordingly socialism has asserted its potential not only as "social therapy" against the ills of capitalism and the ills caused by pre-capitalist orders, but also as a socioeconomic system that is laying the foundations of a new and higher type of civilization.

The socialist and communist type of material and cultural civilization is in full development in Romania and in other socialist countries as well. Of course it has many difficulties to overcome, both objective and subjective, because it is the first modern civilization based on common social ownership of the production means and on the principles of transfer of managerial functions to the working masses. Socialism is the first civilization wherein work and not ownership is the sign of wealth, wherein social justice, equality and equity are the directions of its development and stratification and polarization of society, wherein the state is the servant and not the oppressor of the masses, and wherein the individual becomes the end and ceases to be the means of all social activities and relations, from economic to cultural ones.

One sign of the real progress achieved by the socialist production method and way of life is the harmonious allocation of the productive forces throughout the country and the elimination of underdeveloped areas and regions and the situation, still perpetuated today in even the advanced capitalist countries, where "Every state has its North and South," as one sociologist put it.

The socialist type of society is also characterized by planning, organization and coordination of the various social activities, technical-material and intellectual, cultural and moral, and subordination of progress in material civilization to a humanistic ideal of all-around development of the personality. Production for private profit and benefit is replaced in a revolutionary fashion by production for the common good and rationally humanistic consumption governed by a scientific view of nature and the human condition.

In defining the aims of the present stage of Romanian society's development the RCP and its general secretary express an innovating dialectical conception of construction of the new order, regarding socialism not as something completed but as a far-reaching process with objective and necessary stages and contradictions that must be resolved as they arise. Therefore in formulating the strategy for building the fully developed socialist society and for Romania's

advance toward communism the RCP heavily emphasizes the idea and practice of improving social organization, social production relations and consistently applying the principles of socialist ethics and justice to all social activities. When socialism is viewed in the light of the vitality of its development, the conclusion is justified that improvement is a particular category of the dialectics of the new society that sums up its structural superiority and internal potentials.

Materially as well as intellectually and culturally, socialism is gradually but surely changing the chief objective facts of the human condition in conformity with the authentic categories of humanism and enabling the workers to anticipate and rationalize their future.

GH. AL. CAZAN: I would make two points about the idea of the "crisis" of socialism, so widely disseminated today by the bourgeois ideologists. First, I think that like any idea it has a certain empirical basis, although it is essentially false. As it has been correctly noted here, the bourgeois ideologists proceed from some actual facts such as the existence of certain difficulties, defects and failures in socialist construction, but they exaggerate the facts, divorce them from their general context, and present a deliberately distorted picture of the situation. On the basis of such phenomena and processes, which the RCP and its general secretary have repeatedly analyzed in a realistic and scientifically objective way, the bourgeois idealists of various schools and even some Marxist theorists in the West conclude that there is a "systemic crisis" of socialism or a "partial crisis" of socialist society. One of the bourgeois ideologists' favorite methods of trying to accredit such ideas is to contrast Marx' view of socialism with the views and activities of the communist and workers parties and with the socioeconomic and political facts of the socialist countries. They also present the different ways of building the new society as causes and explanations of the "crisis" of socialism and, in general, as reasons for supporting the idea of the "pulverization" of Marxism.

Those who are disseminating the idea of the "crisis" of socialism operate with vague concepts that are imprecise enough to mislead the uninformed reader yet precise enough for their propagandistic, antisocialist and anticomunist purposes. Obviously the theory of the so-called crisis of socialism is intended to disparage and undermine the new order by presenting the difficulties in a process of growth and development, which are inevitable in such a complicated and unprecedented undertaking as socialist construction, as "proofs" of a "crisis" in it.

Experience, social practice and real rather than imagined history prove that whenever negative phenomena have occurred or are occurring in a socialist country they are never due to any "crisis" of socialism but to violation of one or more of the basic principles of scientific socialism, disregard of some objective laws of construction of the new order, or their improper application. The difficulties and failures are not in the nature of the new order but are caused by obsolete methods that restrict free development of the productive forces and relations, and by idyllic and subjectivist representations of socialism. I accordingly regard the "crisis" of socialism as a crisis in thinking brought on by metaphysical and nondialectical interpretations of socialist society and views that make the insignificant significant, certain malfunctions pure and

simple malfunctions, some ephemeral phenomena characteristic ones, and the fortuitous or accidental the essential. Actually, as Nicolae Ceausescu said, "The errors and difficulties that occur in any country prove that disregard of general laws and the particular conditions can cause serious problems in socialist development. But that accentuates the necessity of consistent application of the socialist principles according to the facts of each country and actually demonstrates the viability of the fundamental principles of scientific socialism."

#### A Broad, Dynamic and Highly Complicated Process

ION MITRAN: Historical experience tells us that so far from being abstract, the requirements of the general principles of scientific socialism are met under particular conditions from one country to another, since the new order is always a creation of the working people in the respective country and not the exact copy of a preexisting model or "standard." As we know Marx foresaw that socialism and the struggle to institute it would take a great many forms depending on each people's national conditions. Only discriminating, in-depth examination of this new kind of historical progress inaugurated nearly 70 years ago can lead to productive conclusions in Romania and further examinations.

In the international discussions some ideologists and especially the enemies of Marxism have posed the question, "How many kinds of socialism are there?" They actually intend to "prove" or accredit the so-called ideological Dispersion of communism and Marxism. But treatment of socialism as a theory and reality of this century requires allowance for the diversity of the specific-historical conditions according to well-defined criteria and principles as well as stable, coherent methodological premises. Accordingly direct, objective examination of social practice is of paramount importance, since it is clear that only objective examination of the social, economic and political processes in the light of their revolutionary nature and their effects upon the social realities is productive. Otherwise any abstract or purely conceptual approach can lead only to abstract considerations. As Nicolae Ceausescu says, the true revolutionary theory is enriched in proportion to the changes that are made in society and in the world's knowledge, and development of the theory of scientific socialism requires "the greatest receptiveness to all that is new and progressive in the world, correlation of the fruits of all knowledge, and answers to the problems with which experience constantly confronts men and evolution confronts society."

Comparison of any analysis with social practice is a particularly productive method because it is based on the prospective function of creative thought and on rational evaluation of the revolutionary changes in society. As a consequence of social progress, critical review of concepts and theories that are no longer in conformity with the new in society and its development is a necessity of revolutionary social thought, since the way to new generalizations is primarily that of careful study of the ever complex and changing facts and of the actual or foreseeable contradictions.

Historical experience reveals the truth, which the opposed ideologists try to distort for their own purposes, that socialist social reform is so far-reaching that it contradicts any complacent, one-sided view. In the RCP's opinion, the revolutionary process does not stop with acquisition of political power by the working class or with the establishment of socialism. The laws of dialectical

materialism, the contradictions between the old and the new, and the shift to a new quality keep stimulating progress. Socialist society specifically resolves the clash between the advanced trends and the backward, conservative ones, while routine attitudes in theory, complacency about existing situations, and lack of receptiveness to the new retard development of theory in one way or another and do not encourage discussions of ideas. This means that the creative revolutionary spirit calls for constant comparison of opinions so that they will not be confined to conceptual-methodological albeit important points but will concentrate on the content and nature of the processes and phenomena under consideration.

The revolutionary process of building the new order is determined by objective historical conditions varying with each country, and it is stimulated by the dynamic action of a series of social forces. It requires an analytical, rational and realistic approach or, in a word, a historical one. Accordingly the analysis of socialism as a basic social-historical fact of the period can bring out the actual trends of social progress and the continuity of the revolutionary process of developing socialism.

As it has been said in this discussion, some essential characteristics are to be noted in reviewing the radical changes made by the new order in various countries and stages, as follows. The socialist economy is based on social ownership and its development is planned. The workers' new social status as collective owners of the production means and as producers and direct beneficiaries of the national income generates cooperative relations based on social equity and justice. Social management reflects the power of the working class in alliance with the other classes of workers, since it is the mission of socialist democracy to function as efficiently as possible in order to exploit the people's experience, initiative and will. The working-class party is the political leader of society, while the socialist state acts as a regulator of the new order's development as it evolves dialectically toward the society of self-management. Meanwhile the abolition of the exploiting classes, the formation of a new social and class structure, and the trend toward social leveling against the background of the vital common interests are elements of socialist society's clear superiority over capitalist society.

At best, historical myopia and lack of a sense of reality are displayed by those who see nothing in socialist society but defects, failures and difficulties, some of which are inherent ones that any radically new social system, as contrasted with all the systems based on exploitation and riddled with antagonistic contradictions, has had and has to overcome because of a difficult legacy from the past or direct or indirect, brutal or clever opposition of the conservative imperialist forces from outside.

The programs for socioeconomic development in this decade and on to the year 2000, which have been discussed recently in a number of forums of the communist and workers parties in the socialist countries, are characterized by somewhat similar features and priorities, such as accentuation of the role of the intensive factors; modernization of the economic structure, especially through expansion and better use of the energy and raw material sources; improvement of the economic management systems generally based upon economic-financial self-administration; a greater role for scientific research and increased efforts to expedite introduction of advanced technology, and more intensive international cooperation. The data on the provisions up to the end of this decade and on to

the year 2,000 reflect the effort to accentuate the qualitative indicators and the emphasis upon better coordination of the various branches and sectors for greater efficiency, upon enhancing the competitiveness and positions of the national economies in the international division of labor, etc.

It is accordingly clear that while socialism is emerging as an economic, political, material and cultural reality of the times, a productive approach to its problems requires a frank analysis in a constructive, militant spirit allowing, to be sure, for the logic of a process in full development that cannot be evaluated or judged definitively or absolutely. Short of overlooking the inherent difficulties and consequences of the economic underdevelopment from which nearly all the countries that have chosen socialism started, their achievements are graphic evidence of the fact that the time has long passed since socialism was a doctrinaire "ghost" that scared the reactionary rulers, who were always ready to organize all kinds of "crusades" and "blockades" against communism, which attempts are not foreign to the contemporary monopolist, imperialist circles either.

Whereas it is true that "there are several ways" to approach the theory of socialism, as Raymond Aron said in his latest book on the final years of this century, it is certainly not true that mankind has entered a stage of "indifference to revolutions." What is more, the assertion of some ideologists who believe with the quoted author that "We know and repeat that men make their history without realizing the history they are making" is nothing but wishful thinking or an incapacity for objective interpretation of history.

Objective analysis of the world of today on the threshold of the 21st century indicates that it is going through a period of all-around social, political, national, scientific and technological revolution with prospects of social progress, a new and better order, and socialism and communism.

OIDIU TRASNEA: Naturally the process of building the new order, being an original and very far-reaching undertaking, is not free of some difficulties and failures and, as it has been said here, it is no triumphal march. Those who claim that socialism knows no difficulties, that its development is not governed by the same universal law of unity and conflict of opposites, or that it would solve all problems automatically are not faithful to the principles and values of socialism but sinning against the authentic theory of scientific socialism. Accordingly, as the party general secretary pointed out, where difficulties have arisen they were due not to "too much" socialism but to disregard and violation of the principles and values of socialism.

Increasingly effective and complete application of these principles and values to all social relations on the macro- and microsocial scales is a historical process being implemented over a longer period of time, because it depends upon simultaneous fulfillment of the material and cultural conditions that make their full assertion possible. Socialism is by nature a most profoundly humanistic social system. It is built with people and on their behalf. Even non-Marxist authors like the British David Lane for example recognize, in accordance with the facts, that "In the socialist system economic growth favors and pursues humane ends, as contrasted with the capitalist system, where production is for private profit."

ION TUROSESCU: In combatting the false idyllic image of socialism the party has stressed the fact that minimizing or overlooking the discrepancies, difficulties or contradictions that can arise in the new order not only prevents the subjective element from taking steps toward prompt resolution of such situations but also can cause social disruptions and malfunctions. Therefore the RCP and its general secretary keep emphasizing the contradictory aspect of socialist society and the possibility that its objective contradictions will evolve toward social antagonisms and tensions unless they are noted in time and the best measures are taken to resolve them while the new developmental trends are constantly encouraged.

With this realistic sense of grave responsibility for the future of the new order, the RCP fully analyzed the contradictions operative in the present stage, such as the discrepancies and ensuing contradictions between the developmental levels of heavy industry making producer goods and those of the light and food industry, between the general developmental levels of the processing and machine-building industries and those of the energy and extractive industries, and between production and consumption, that is between the growing demands of the public's material consumption and cultural services and Romanian society's ability to meet them when international economic conditions are unfavorable and some members of society are misjudging their rational needs for material consumption and especially that of foods. The RCP also realizes that in the present stage of historical progress under the new technical-scientific revolution industry tends to advance more rapidly than agriculture or other economic sectors, so that discrepancies like this have arisen in some countries that have been slower to industrialize. Accordingly the importance the RCP attaches to the new agrarian revolution and intensive development of agriculture, as a basic economic sector just as important as industry in the overall strategy for Romania's economic development, is indicative of the consistent emphasis upon a balanced and fully developed economy in the present stage for the main purpose of implementing the RCP Program for Building the Fully Developed Socialist Society and for Romania's Advance Toward Communism.

The current strategy of harmonious, proportional development of the national economy as a whole, wherein industry and agriculture are both considered basic economic sectors, also calls for resolution of the nonantagonistic contradictions that occur in the structure of Romanian society and in relations between rural and urban workers and, on a more general level, resolution of the old traditional contradictions between rural and urban civilization and between city and village. Such contradictions, analyzed in the RCP documents, have a great many aspects, such as form of ownership (state and cooperative socialist ownership in addition to limited private ownership in the hill and mountain zones), type of productive activity and its technological level, exchange relationships and method of distribution, as well as the living standards, quality of life and general life styles of the workers in these economic activities.

Furthermore, I do not think we should forget that in the historical stage where the present developed capitalist countries were going through such phases of accelerated progress of the productive forces created by industrialization, they could circumvent some internal economic and social difficulties due to the discrepancies characteristic of their economies by means of economic and political infederation of other, underdeveloped countries. This brought about colonialism

as a method of social and national oppression and subjugation, most often to the point of a regular policy of plunder and spoliation of the peoples on more than two-thirds of the earth. It was from this practice of shifting the consequences of their own contradictions and of their difficulties due to internal economic growth to other peoples that the system of unequal international economic and political relations was born, which in turn generated the intense antagonistic contradictions in the world today like those between the North and South, which are nothing but the increasingly aggravated contradictions between the developed capitalist countries and those of the "third world."

Recognition and study of the contradictions that can arise in socialist construction are no instances of weakness but rather of theoretical and ideological strength, showing the new order's ability to overcome its difficulties and win the battle for revolutionary social reform. Moreover the party feels that any party, and especially a government one taking responsibility for management of the great undertaking of socialist construction, must carefully determine the contradictions in society, adopt the best measures to resolve them in time to encourage progressive trends, and accordingly take a firm critical stand against any subjectivism, conservatism or idyllism in the approach to the revolutionary social processes characteristic of the present period and especially of socialist and communist construction.

MARIN NEDELEA: As it has been said here, the socialist countries' economic development and their historic progress in abolishing exploitation of man by man and in promoting social equality are reflected in the evolution of the social structure of their society, among other things. After the elimination of the exploiting classes, the most significant development in the structural evolution of Romanian society is the continuous leveling of the existing social classes and categories on the level of the objective characteristics and their reflections in awareness, and society now consists entirely of workers. Social leveling has already progressed through a number of initial stages, but its complete achievement in the sense of disappearance of any class distinctions requires a very advanced stage of social development, calling both for elimination of the essential distinctions between industry and agriculture and manual and intellectual work and their combination in a higher synthesis, and for abolition of any differences in connection with forms of ownership or distribution, which depend in turn upon the level and nature of the development of the productive forces. That cannot be done overnight, nor by any voluntarist measures devoid of the necessary material basis.

The reproaches brought against the socialist countries, sometimes even by persons who are regarded as Marxists, to the effect that they have not eliminated the social classes or class distinctions or achieved full social equality appear particularly strange in this light.

On the basis of some points taken from the youthful works of Marx and Engels in which the aims of the future communist society were formulated in a general way without reference to the actual historical process, which could not be envisaged at the time, these "critics" of socialism are now republishing the procedures of an antiquated dogmatism in blatant conflict with the true Marxist spirit and actually perpetuating schools of anarchist and leftist ideas characterized by inability to fully assimilate dialectical materialism or to understand the real requirements of revolutionary practice.

The results of socialist construction have fully demonstrated (sometimes, unfortunately, at the cost of efforts to correct errors) that the attempt to skip objectively necessary stages of the historical process and introduce forms of social relations before the conditions are ready for them is doomed to failure. The differences among the classes of socialist society are social facts that cannot be ignored or changed by administrative measures. They will be gradually absorbed in the course of the historically determined stages of the advance toward communism.

In the same connection I would like to mention that both in western bourgeois publications and at various scientific meetings attended by scholars from various countries socialism is frequently accused not only of failing to eliminate the classes (which I mentioned above) but also of creating, they say, a "new class" superimposed upon the rest of society that monopolizes the levers of political power and various other social privileges. Of course that assertion cannot withstand any scientific analysis. As we know, the classes are large groups of people differing in their positions as to the production means, which are usually prescribed by law, in the particular form of distribution, in their common interests based on their objective social positions, in their role in the social organization of production, and in less important characteristics some of which are subjective. Application of these scientific criteria does not bear out the existence of any social classes in socialist society other than the well-known ones, namely the working class and the peasantry, along with whom the intelligentsia work as well as other categories of workers whose characteristics do not make them distinct social classes. What these "critics" of socialism call the "new class," meaning the political and economic managers on the various levels of social and state activity, actually consists of various categories of workers temporarily performing certain functions demanded by the objective requirements for managing a modern society, so far from meaning any distinct social class. Performance of these functions is no sole prerogative of any particular social class, nor is membership in any particular class sufficient in itself to promote anyone to an administrative job. Personal ability, level of professional and political training, the experience acquired, moral qualities and the confidence of the workers are also considered, and they are the criteria for any such promotion.

Since the working class is the political and social leader of socialist society, it does not cease to be a working class and the main producer of social wealth, and it does not acquire that wealth at the expense of the rest of society. Its representatives in the managerial bodies do not cease to belong to the great family of the working people or to think and act on behalf of their vital interests. Bureaucratic behavior, violations of the humanistic principles on which the management of socialist society is based, and attempts of some persons to abuse the administrative office to secure privileges and illicit advantages are isolated cases of distortion of the new social mission of management, and they are prohibited, combatted and forcefully eliminated by the mechanism of socialist society.

VASILE NICHITA: Experience proves that progress on the path of socialism and communism demands of every country's revolutionary forces, every people and every working-class party an intensive and all-around effort, revolutionary boldness and a dedicated spirit to overcome the many difficulties and to solve the many new problems inherent in such an unprecedented and very far-reaching undertaking.

The diverse economic, social, political and national conditions as well as the stages in which certain countries are or which they have to go through in their socioeconomic development must cause certain differences in the actual ways and means whereby they accomplish socialist construction, in their forms and methods of economic and whole social organization and management, and in the nature and functions of some of the political and social institutions of the new order. Such differences cannot be used to question the socialism in any given country or to contrast the socialism in any particular country with that in others or with that to be achieved in the future. No one knows the economic and social conditions in a country or its internal and international political situations better than the Communist Party and the revolutionary and political forces of the respective people, so that the sole responsibility for the revolutionary strategy for building the new order is naturally theirs alone.

Socialist construction clearly cannot be forced into rigid patterns or molds because of the great diversity of the conditions and situations and the variety and complexity of the particular tasks. This refutes the idyllic and triumphalist representations and the false impression that the workers' acquisition of political power automatically results in full application of the principles and values of the new order and immediate implementation of its superiority in all respects. As the facts and experience show, socialist construction goes on under very complicated historical circumstances including imperialism and some acute international contradictions, and it requires mastery of many difficulties and original solutions to many problems and contradictions.

Objective, scientific analysis of the present situation shows that socialism is making it possible for mankind to remedy the profound social and national inequalities that have been accumulated and perpetuated. By its very nature socialist society gives rise to some new and important motive forces, mechanisms and forms of social progress that open up a broad field to mass initiative and creativity in all respects. The constant conflict between the new and the old, the new order's ability to determine and promptly resolve social contradictions, its objective potential for harmonizing development of the material base and social relations with the level of awareness, political culture and behavior, the leadership of the working class, its alliance with the peasantry and other categories of workers, the fundamental common goal reflecting the entire people's most vital interests and aspirations, and the increasingly strong consolidation of the people's unity around the party, all these taken together in their unity and interdependence and each one individually constitute vast new motive forces stimulating social progress and unknown as such to any previous system.

PETRU PANZARU: Actually socialism does not claim to be a finished or perfect society, but one in the process of development and constantly subject to improvement on its own economic, political and ideological foundations. But there is a qualitative difference of principle and purpose between the often severe critical or self-critical analyses made by responsible political elements in order to eliminate defects, errors and difficulties and intended as a means of "self-regulation" and self-improvement of the socialist social system and a number of "criticisms" made "from outside" not only geographically but also outside the intrinsic principles and criteria of socialist society and guided by criteria and principles borrowed from the old society. They are barely renovated at points, mainly in form and formulations but not in nature, and they evidence

an "impatience" with history that is actually a failure to understand its laws and the objectively necessary rates and stages of the new society's construction. This kind of "criticism" attempts to accredit the idea that the socialist revolutions have not led to any socialist societies as the founders of the revolutionary theory envisaged them but to some kind of "postcapitalist" societies! That is a crude and clumsy attempt both to refute or reject the key Marxist concept of socioeconomic formation (organization) and accordingly the laws of inevitable transition from a lower to a higher order, and to deny or at least to detract from the value of the structural changes already made in all socialist countries, by ways, means and rates characteristic of each, of course.

As a new and innovative social system, socialism is irreversible because history itself is irreversible, and it builds its future according to the law and logic of social progress. To contest the legitimacy of socialism, which has not been just an idea, aspiration or noble plan for a long time, is to contest a variegated and viable socioeconomic, political and cultural reality with original creative powers in constant development and progress. However inconvenient and "mistaken" this reality may be for the forces and representatives of the old, historically outmoded society, it does not and will not cease to be the most important reality of contemporary and future history. That is why antisocialist and anticomunist positions are actually antiscientific and antihistorical positions.

Anyone who judges the history of the formation and development of the new social order, the socialist one, from the heart of the old one with no preconceived ideas or abstract, *a priori* theoretical patterns and objectively evaluates the socioeconomic, political and ideological changes in the existence of the nations and humanity in this century must acknowledge, as non-Marxists also do, that the appearance and development of Marxism on the world scale have placed history "on new terms" and have radically changed the balances of power between the old world and the new, while opening up and resolutely building a veritable highway of contemporary historic progress.

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[Text] This period is chiefly characterized by mankind's transition from capitalist to communist society, the commitment of an increasing number of countries to the course of the new order, and the development of socialism into a powerful world force and an increasingly influential factor in international affairs and man's progress. It is accordingly natural for the relationship between socialism and social progress to be in the center of discussions of ideas and theoretical and political-ideological confrontations today.

In pointing out socialism's growing importance in social development Nicolae Ceausescu said in his Speech at the Solemn Assembly on the 65th Anniversary of the Founding of the RCP that "It can be said that on the whole socialism has demonstrated its power and capacity to accelerate man's progress and to bring about true equality and justice, real independence and sovereignty, and the welfare and happiness of mankind."

To be sure socialism has reached a point in its development that permits analysis of the course that has been taken, but it must be based upon the results and practice of socialist construction so far and upon the principles of scientific

socialism. The party general secretary said, "The noble principles and ideas of socialism, which are and will remain entirely valid, are not to be equated in any way or under any circumstances with the errors or abuses in socialist construction committed in any given country in any given period... Socialism is still a young system, and occasional errors, failures and abuses have occurred in the course of it. Nevertheless it has succeeded in solving problems in a short time that have taken whole centuries in other social systems in the past."

These ideas and principles are of inestimable theoretical and methodological value for scientific treatment of the general relationships between socialism and social progress, and they are particularly important because the reactionary imperialist circles regularly try to distort the conditions in the socialist countries for purposes of diversion while encouraging antisocialist and anticommunist forces and trends.

ERA SOCIALISTA arranged the following discussion in the light of Nicolae Ceausescu's guidelines and conclusions concerning the relationship between socialism and contemporary world progress. Various aspects of the new order's role as a major factor for mankind's progressive evolution were taken up in the first part of the discussion, published in No 8, 1986, and Romania's historic achievements were described as well as those of other socialist countries.

The second part of the discussion, which we publish in this issue, concerns some basic phenomena and processes in the socioeconomic development of the new order, the superiority of socialist ownership as a lasting basis of social justice and equality, and the role of planning in organization and management of the socialist economy.

#### Socialist Ownership Basic to Social Equality, Justice and Equity

GHEORGHE CRETOIU: Anticommunism and the antisocialist theories in general that disparage and distort the nature and principles of socialism as well as the fact facts of the socialist countries are nothing new. They arose when Marxism and the social movement for communism appeared and were intensified when the "sacrosanct" principle of private ownership was abandoned and socialism progressed from the realm of theory to that of direct social practice and became an unquestionable reality.

As for bourgeois economic thought, it is to be noted that it reflected the fluctuations of anticommunist ideological warfare and varied in different stages. After the "cold war" period an important variation took place in bourgeois economic thought. Alongside the old anticommunist and antisocialist policies and theories, more differentiated and realistic policies were adopted, whereby the situations in the socialist countries were treated not with hostility but from the standpoint of their economic and social results and accomplishments. This explains why scientific writings of well-known bourgeois economists sometimes contained realistic evaluations of the role and results of industrialization in the socialist countries, the significance of socialist ownership, and the importance of planned management in converting formerly agrarian or agrarian-industrial countries to industrial-agrarian or industrial countries. It might even be said that although their class nature and political-ideological purpose are evident, the theories themselves about "convergence" of the socioeconomic

systems, widely circulated in the 1960's and the first half of the 1970's, made deep inroads in the old treatment of socialism by non-Marxist thought, since they were based on consideration of some of the most important features of the new order. But recently many of these ideas are not only forgotten but also suppressed in the anticommunist ideology, which is still insisting on the "crisis of socialism." By distorting the facts and obscuring and misinterpreting the socialist countries' radical revolutionary reforms, the reactionary imperialist ideologists are directing the main thrust of their attack against such gains, achievements and fundamental features of the new order as socialist ownership of the production means, planned management of the national economy, distribution according to work, etc.

MARIN POPESCU: Public ownership has made essential changes in the system of social interests, which have acquired a definite content and a qualitatively new form of interaction. As Nicolae Ceausescu said, "Socialist ownership has brought about a community of economic interests among all the social classes and strata who gain a living by work, and a unity of the entire people's aspirations as well. Such a unity of interests and aspirations is possible only within socialist society, because it alone has an objective socioeconomic foundation embodied in public ownership of the production means."

Socialist ownership is the objective basis for harmonizing the general interests with all other interests, and they all form a single system wherein the general interests have a priority. The combination of the general with the collective and private interests does not take place automatically but through the extensive, purposeful and fully knowledgeable efforts of the main subjective elements in the new order. The critical role in this is played by the revolutionary party of the working class which, while representing the entire people's interests and aiming at socialist and communist construction, determines the program for socioeconomic development and the priority aims upon which the people's efforts are to be concentrated, organizes all the nation's forces to attain the set goals, and conducts a vast activity to mobilize and lead the masses and to encourage their creative initiative.

A distinctive characteristic of the RCP's policy of combining the general with the collective and private interests of the workers is to be seen in the priority accorded the general interests, the constant improvement of the material and cultural welfare of the members of society as a whole, and the solution of problems vital to Romania's economic development such as optimal distribution of the national income between the development fund and the consumption fund, intensive development of the productive forces on the basis of the latest scientific and technological advances, firm continuation of the policy of national socialist industrialization and concentration of it upon the sectors and subsectors making better use of raw material resources and social labor, intensive development of agriculture and completion of the new agrarian revolution, rational use and better training of the labor force, harmonious geographic distribution of the productive forces, more intensive promotion of the qualitative factors in economic growth, and effective Romanian participation in the international division of labor. These aims of the RCP policy on national economic development fully serve the general economic interests of all members of society as united socialist owners, producers and beneficiaries of the national wealth. The results of this policy are to be seen in the steady growth of the national economy,

in the rapid growth of the national income, in the resulting better and better satisfaction of the workers' material and cultural requirements, and in a higher living standard and better quality of life.

Serving the general interest also requires consideration of the collective and private interests and direct motivations that drive the social classes, workers collectives and all participants in material and cultural production. The effort to harmonize the various kinds of interests is reflected not only in intensive development of the productive forces and social production but also in constant improvement of production relations and especially those of ownership. In the party's view building the fully developed socialist society and Romania's advance toward communism require rapid development of both state and cooperative ownership with correlation of them and intensification and multiplication of the ties between them.

EUGEN DIJMARESCU: In a certain initial stage of socialism, the reactionary bourgeois ideologists who were trying present a very distorted picture of socialist society to the working class and workers in the capitalist countries resorted to many attempts to disparage the new order. The viability and successes of socialism changed this viewpoint to some extent, and the "critics" moved into the areas of democracy and economic performances. But they continued to overlook the limitations that capitalist ownership places upon economic and social development as a whole, as indicated among other things by the record unemployment in the capitalist world of today. Historical experience unequivocally demonstrates the bad effects of capitalist ownership upon the socioeconomic development of the various peoples during the present worldwide economic crisis, making it even clearer how groundless are the attempts of some apologists of capitalism to present capitalist ownership and a society divided into oppressors and oppressed as a "superior" form of social and production relations. As we know, capitalist ownership of the production means is the result of violence and force, violates the laws of nature and society, and disrupts the social balance. Accordingly, as Nicolae Ceausescu said in his Address to the Solemn Assembly on the 65th Anniversary of the Founding of the RCP, "It is the historical mission of socialism to restore the balance in conformity with the laws of social development by permanently abolishing the society divided into classes, capitalist ownership of the production means, and exploitation of man by man, by striking a new balance based on joint ownership of the production means, and by securing full equality and socialist equity among all workers and all citizens of every country."

There are relations of interaction between joint public ownership of the production means and the productive forces and production relations. In connection with the dialectical relationship between the productive forces and socialist ownership, note that development of the productive forces expands socialist ownership, but only the latter can bring about a harmonious, balanced development of the former. In their turn production relations, under the impetus of the social action of the masses characteristic of socialism, lend socialist ownership specific forms which best serve the general interest of society and which, through their own improvement, keep expanding the democratism of social and production relations.

Workers' participation with social shares in formation of the economic development fund is of great practical importance in this respect. Past experience

tells us that it contributes to the shareholders' sense of responsibility for use of production capacities, plan fulfillment, management of resources and funds available to the economic units, etc.

I should also like to point out that participation with social shares is not confined to workers in economic units but is much broader in scope, also including various collectives of teachers in higher technical and economic education and researchers and designers in specialized institutes. This brings out the fact that integration of education and research with production is not just a matter of contracts and that specialists in education and research are directly participating in the decision-making that requires application of the studies and investigations made to production. Moreover research becomes applied research from the start in order to meet the requirements for modernization of the production processes and scientific organization of labor, and it is subject to criteria of effectiveness that are based squarely upon the immediate situation.

MARIN POPESCU: A vital part in the system of the new production relations is played by distribution of the social product and national income on the socialist principles of social equity and justice and in proportion to each one's work. With particular care to provide the workers with a material incentive for the results of their work, the RCP makes a continuing effort to apply the socialist principle of distribution "From each according to his ability, to each according to his work" in close correlation with the requirements of each stage of socialist construction. This is graphically illustrated by the steps taken in recent years to improve remuneration of labor and distribution of workers' incomes, among which the Law on Remuneration of Working Personnel by the Overall and Direct Contract Systems, ratified at the recent session of the Grand National Assembly, is particularly important. The main purport of these measures is more consistent application of the socialist principle of distribution according to the work performed and even closer correlation of each worker's individual incomes with production, labor productivity, economic effectiveness, and better use of raw materials and manpower.

The improvements made in the system of remuneration and distribution of incomes are based primarily on the fact that Romanian socialist society guarantees the right to work and provides everyone with a secure job in keeping with his training and the needs of social development. In accordance with society's efforts to create new jobs, every worker in his turn has a duty to do useful work, to complete his tasks, to keep trying to improve his qualifications, and to observe plan and production discipline. The direct dependence of everyone's incomes upon his contribution and the specific results of his work directly correlates every citizen's rights with his obligations. No one can benefit by rights unless he meets all his obligations to society. Workers' incomes can and must keep increasing only in proportion to the work performed. They are neither limited nor guaranteed, so that through consistent application of the socialist principle of distribution according to quantity and quality of work, each worker's remuneration and incomes will reflect his contribution to fulfillment of the production plan and give him a real incentive to develop production, productivity and effectiveness.

Consistent application of the Law on Remuneration of Working Personnel by the Overall and Direct Contract Systems is vital to remuneration of all categories

of personnel in direct proportion to their contributions to fulfillment of plan tasks, to encouragement of fulfillment and overfulfillment of the planned output, to improvement of product quality, to growth of exports and labor productivity, and to reduction of production costs in all economic units.

ION BULHOREA: The socialist economic mechanism is also misrepresented by the bourgeois ideologists through a forced equation of the socialist models of development with those in the capitalist economy. A West German economist, for example, maintains that both systems have "exploitation generated by material incentives including differentiated salaries." According to him, any modern society, capitalist or socialist, has an economic model wherein the social groups are differentiated according to their ability to produce the goods they consume, so that one group consumes more than it produces while another produces more than it consumes, and accordingly one group is exploited by the other. As it has been noted, the West German economist overlooks the essential differences between socialism and capitalism and especially the nature of the social production relations, of which the distribution relations are a component. For in capitalism distribution is according to capital, while in socialism it is according to quantity and quality of the work performed. The fact that in socialism wages differ from one category of working personnel to another and that some receive more than others does not prove "exploitation" of one social group by another but reflects the socialist principle of distribution "From each according to his ability and to each according to his work." To be sure distribution in the first stage of communism, namely in socialist society, still shows signs of "bourgeois justice" to some extent, as Marx said, but that does not erase the essential differences between capitalism and socialism.

MARIN POPFESCU: We find a reply to the attempts to distort the principles of socialist distribution clearly expressed in the party's documents and in its general secretary's views. In speaking of the need of consistent application of those principles Nicolae Ceausescu said in his address to the Plenum of the National Workers Council in December 1985 that workers' incomes are to depend directly upon production and work. He said, "The more we produce better and more cheaply the more the incomes can increase. The more profits and profitability grow the more incomes can grow! But where poor work is done adequate incomes cannot be assured. Romania's system of general remuneration provides the same incomes for the same work in all sectors according to subsectors, but we cannot provide anyone with incomes without the same amount of work or output... That is the socialist principle upon which the Romanian order is based and we must apply it with all consistency! We have done away with exploitation and profiting by oppression of others through profiteering or any other illicit means! The sole source of income is work and activity in the service of the people, for the people, for society and for Romania's rise to new heights of progress and civilization!"

In distribution according to work and in distribution of workers' incomes the RCP consistently promotes the principles of socialist justice and tries to strike a correct proportion among the incomes of the various categories of workers in keeping with the stage in the economy's development and with the material potentials of society. In instituting all citizens' social and political equality, the RCP has been trying to eliminate the conspicuous and unwarranted contrasts between large and small incomes, so that the ratio between the maximum

and minimum net wage in the economy has been lowered from 25:1 to 1:1 at present. But in its efforts to reduce the unwarranted differences between incomes, the party has consistently opposed leveling of incomes. Distribution of distribution has nothing in common with equity but on the contrary it is a clear violation of it.

Application of the new principles of distribution and promotion of social equity are among the major factors in asserting the superiority of the just cause and securing rapid social progress.

### Planned Harmonious Development of the Socialist Economy

**FLORIN BALAURE:** Planned development secured by the purposeful action of the members of society, who have become masters of the production means and their own activity, is indeed a characteristic of the socialist system, a source of increasingly emphatic assertion of its superiority, and a factor for accelerated socioeconomic progress. As Engels mentioned, in the socialist system people are no longer the objects of the blind action of the socioeconomic laws. By learning these laws, using them purposefully, and acting accordingly they guide their economic and social activity uniformly according to the needs and possibilities of the stage they are in, providing in that way for the harmonious, balanced and progressive development of society.

Of course production is accompanied by a pronounced division of labor in socialism too, due to the multitude of needs and the great variety of use values and services that are necessary. Accordingly coordination and productive use of the jointly owned production means make it necessary to distribute them among sectors, subsectors and activities, and within the latter among specialized production units differentiated according to society's needs for goods and services. This can be done only by an organ authorized to act in the name of society as a whole. In the first stage of the communist system, namely socialism, that organ is the workers democratic state which, acting in the name of society and serving the people's interests and sovereign will, entrusts various portions of the people's property to the administration, management and use of the workers collectives in enterprises. In Romania this is done on the basis of a legal enactment and a pledge-contract, so that the enterprises and their workers collectives become subjects directly exercising the prerogatives of ownership. They maintain, protect and make efficient use of the socialist property. In keeping with this part they play in economic activity by managing and using a certain portion of public property and meeting a certain segment of the social need, the socialist units and their workers collectives are invested by law with functions, powers, rights, obligations and responsibilities that cover all essential aspects of their activity.

The rights of the general assemblies and workers councils to decide on all questions of planning and socioeconomic activity are to be closely linked with application of the provisions of the Unified National Plan. Deviations from the principle of management on the basis of the Unified National Plan in socioeconomic Development would lead to disorganized activity and contributing with serious consequences for socialist construction.

In the context of the interdependences of reproduction, each enterprise is actually a component cell of the uniform national economy. As the general secretary said at the 13th RCP Congress, "Within the social division of labor, each unit plays a certain part in material production as a whole and has capacities and characteristics that meet some well-defined requirements of national economic development." Therefore it is an objective necessity for every enterprise to conform in its activity to the structure of society's needs, to the general balance and options of socioeconomic development as rationalized in the Unified National Plan, and to the general trend of social production toward a macroeconomic optimum the criterion for which is maximum satisfaction of the social need in all respects (level, structure, degree of diversification, rate of profitability etc.).

Moreover the founders of scientific socialism did not believe the trend of socialist production toward the macroeconomic optimum could be brought about by spontaneous, automatic development. The socialist economy is objectively characterized by planned development, purposefully coordinated and directed to make the most rational and effective use of all material, human and financial resources and to meet all needs as fully as possible under the circumstances. This course of the socialist economy toward a macroeconomic optimum is clearly a trend which is not without its contradictions and which is actually implemented by means of planning, and the Unified National Plan is the chief instrument with which the members of the socialist community purposefully provide for the balanced, proportional and harmonious progress of social production and maximum satisfaction of society's needs with minimum consumption of resources.

FLORIN BALAURE: As we well know, socialist production is still a commodity production, so that the effectiveness of planning and the coordinating it does between the progress of production and the structure of the social needs are verified by reproduction, by the market, and by every unit's commodity output supplied to society. Consequently even with planned development, which is the only kind suited to the nature and requirements of the socialist system in the Marxist view, as long as commodity production is maintained the market is the final check on the social necessity of the labor outlay, and its signals are regularly taken into consideration in both drafting and implementing the plan. But note that the action of the market is post factum, after production is over and the resources have been consumed. Of course the market's post-factum action, which is also anticipated by the plan as regards supply and demand, can confirm a complete correspondence between the output and the social needs, or one with insignificant deviations. In that case the members of socialist society have reasons to be fully satisfied. The plan they adopted and implemented has practically coincided with the objective trends of production, with the requirements of the economic laws, and with the social need. Through this planned coordination of the objective developmental trends of the productive forces and production relations with their actual effects, purposefully coordinated and directed to that end, the members of socialist society actually make the transition from the rule of necessity to the rule of freedom.

Of course the situation may arise, and experience tells us that it often does, wherein the market discloses discrepancies or perhaps even disparities between the output and the need in some sector. In that case it would clearly be a mistake to continue production according to the original plan provisions, ignoring the discrepancies revealed by the action of the market. That would mean making

a fetish of the plan, divorcing it from reality, and promoting arbitrary subjectivism. And as we well know the RCP severely criticizes such tendencies, which are foreign to its scientific conception of planned management.

But it would also be a mistake to conclude from the fact that the market repeatedly reveals failure of the plan to meet the needs adequately in some sector that the plan is useless or to advocate repudiation of planned management and a shift (or a return) to a competitive "market economy" wherein the free play of supply and demand automatically governs the course of social production post factum. Such conclusions would be in complete contradiction with the Marxist conception of the mechanisms and characteristics of the socialist economy. Social production governed by the automatic action of the economic laws and the free play of the market can lead only to anarchy and serious disruptions of the reproduction process, with all the ensuing bad effects.

When greater or lesser discrepancies between the plan provisions and the social needs are found it is necessary, as the party and state administrations point out, to analyze the causes of the situation in order to redirect the activity to meet the objective needs of the productive forces and production relations, and accordingly to revise and improve the plan to cover the needs or possibly to adopt some special programs to eliminate the discrepancies, as the party and state have sometimes done. And so what must be done is to improve planning instead of abandoning it and take steps to restore the coordination of the practical actions of the members of society with the objective requirements of social development.

MARIN POPESCU: Socialism's contribution to accelerated progress in the world today takes the most varied forms, one of which is harmonious, intensive development of the productive forces throughout the whole country. As we know, socialist construction in Romania started out with some great imbalances in the geographic allocation of the productive potential because of the kind of economic development in the previous period. Important areas of the country were economically underdeveloped. Construction of the new order required a radical change in that situation making it possible to renovate all localities and areas of Romania and to develop the productive forces intensively over the whole extent of the country. Nicolae Ceausescu said, "That is the only way to raise the standard of civilization of all localities, to stop the migration of population to the big cities, to reform the whole structure of society harmoniously, to make living and working conditions fully equal, and to secure the progress of all Romanian citizens in social activity as well as the exercise of their rights."

The correctness of the RCP policy of harmonious geographic distribution of the productive forces is borne out by the results obtained. Measures suited to the purpose, among which the allocated investments are paramount, brought about a more intensive socioeconomic development in the underdeveloped counties than the national average. Whereas in 1965 the value of the industrial output was below 10 billion lei in 36 counties and above that in only five counties, in 1984 it was below 10 billion lei in only two counties and above 25 billion lei in 18 of them. The per capita industrial output rose from 10,502 lei in 1965 to 52,073 lei in 1984. Agriculture was developed in all counties along with industry and on the basis of it. Development of industry, agriculture and the other sectors increased the volume of total activity in all counties. In 1984 the value of the total activity was below 20 billion lei in only one county compared with 38 counties in 1965.

On the basis of the Directive-Program for Romania's Regional Socioeconomic Development, the current Five-Year Plan is continuing the policy of rational distribution of the productive forces throughout the nation and of equalizing all workers' living and working conditions on that basis. The program calls for a per capita volume of economic activity amounting to at least 80,000 lei by 1990\*, so that leveling of all counties' socioeconomic activity will continue. This leveling is not quantitative alone. It is also aimed at the qualitative aspect of economic activity in conformity with the general strategy of the RCP policies of harmonious development of industry, agriculture and the other activities and sectors according to the particular conditions in each county and area, modernization of the production structures, higher technical and qualitative standards for products, more pronounced growth of labor productivity, and reduction of production costs and especially of material and energy outlays. Every county, city and commune in Romania must have a modern, intensive economic development.

Harmful allocation of the productive forces throughout the country contributes to urbanization, supply of comfortable housing, etc. The material base of education, culture, art and health protection is being further developed and modernized in full accord with the requirements of each county's economy. The RCP policy of distribution of the productive forces throughout the country accordingly brings out an essential aspect of the superiority of socialism, the main purpose of which is to improve social welfare.

**FINANCIAL BALANCE:** Further socioeconomic development of Romanian society and improvement of planned organization and management of the national economy heavily depend upon modernization of the enterprises' activity, more rational use of the technical-material base and labor force, and improvement of the labor standardizing system, product quality, profitability and economic effectiveness. The Plenum of the RCP Central Committee of 1-2 April 1986 accordingly emphasized the need of consistent application of the principles of self-management and self-administration and of the new economic-financial mechanism as well. As the party general secretary said in his extensive speech at the plenum, it is necessary to renovate the economic-financial system radically and to firmly apply the new regulations for greater material and financial responsibility, both personal and collective, for efficient management and use of the material and financial resources, national wealth and socialist property as a sure source of continuous growth of the national income.

In accordance with the legal provisions, all activity is to be based on the principles of self-management and self-administration which, as the party general secretary pointed out, require every unit to have its own budget of incomes and outlays and to cover more and more of its production costs, and all of them where possible, without resorting to credits. It is accordingly necessary to strictly observe the new regulations on granting credits and advances for production and to determine them in close correlation with the requirements of production activity. The principles of remuneration according to quality and quantity of work must also be more firmly applied, the overall contract system must be generalized in all activities in keeping with the law recently ratified by the Grand National Assembly, and incomes must be more and more closely correlated with the specific results in production of every member of Romanian society.

\*In every county.

The new measures to improve and consistently apply the economic-financial mechanism can help to improve the quality and efficiency of the whole activity for purposes of exemplary implementation of the programs for national socioeconomic development and the historic goals set by the 13th RCP Congress, which will bring Romania up to new heights of progress and civilization as new and graphic examples of the superiority of the Romanian socialist system.

No 11, 10 Jun 86 pp 25-34/

Text The first two parts of this discussion were published in **ERA SOCIALISTA** Nos 8 and 10, 1986. The participants examined in their comments some aspects of the dialectical relationship between socialism and progress and, on the basis of the historic achievements of Romania and the other socialist countries, brought out the new order's ability to bring about mankind's more rapid progress, true equality and equity, real independence and sovereignty, and the welfare and happiness of humanity. Against the background of the radically innovating revolutionary processes and reforms effected by the advance of socialism in the contemporary world, antisocialist and anticommunist theories are being circulated and extensively reactivated today. As Nicolae Ceausescu said about this at the Festive Assembly on the Party's Glorious Jubilee, "The ideologists and apologists of capitalism are trying again to present capitalist ownership and the society divided into oppressors and oppressed which, historically speaking, has outlived its time, as a higher form of social and production relations." In reply to such ideological trends and aims of the reactionary imperialist circles, the participants brought out the superiority of socialist ownership as a lasting basis of social equality and justice and the role of scientific planning, organization and management of the national economy in the harmonious all-around development of socialist society.

The third and final part of the discussion, published in this issue, is devoted to such fundamental features of the new order as intensive promotion of workers revolutionary democracy and development of the state's role in organization and management of socioeconomic activity, to combatting backward, unscientific theories about the place and role of the state in socialist society and about human rights in the world of today, and to the historical mission of socialism as the promoter of new relations among peoples and states and of a policy of peace, detente, collaboration and good will among all nations of the world.

#### **Superiority of Workers Revolutionary Democracy**

**LIANA IONESCU:** The practical solution to the problems of political power in the course of socialist construction and the results obtained in improving the socialist state's activity emphatically refute the theories and views that are obviously antisocialist and anticommunist in nature and purpose. In the campaign to defame socialism and deny the new order's ability to progress in changing the nature of political power, the contemporary bourgeoisie ideologists maintain that along with the deployment of the revolutionary process in the socialist countries the restrictive instruments of power were augmented, leading to "annihilation" of the possibility of developing the creative power of the masses and of their participation in the political affairs of society. By distorting the purpose and content of the new order, some authors posit an "irreducible opposition" between socialism and democracy and contest the democratic character of

the political regimes in the socialist countries as well as the reality of the basic rights and freedoms they guarantee all citizens by instituting social ownership and eliminating any exploitation.

Associating the socialist political regimes with the idea of a "dictatorship," some bourgeois authors consider coercive, violent totalitarian methods "characteristic" of the way they exercise power. As confirmed an anti-Marxist as A. Glucksman maintained in a book recently published in France that socialism has passed the "totalitarian" stage and entered the "posttotalitarian" one. But even in this new stage he considers "extreme concentration and centralization of power" characteristic of socialism.

Such "analyses" of the new order and its social-political system are consistently ambiguous, replace rational-scientific procedure with simplistic and oversimplified speculations, labels and confused ideas, and revive old theories and ideas from the more or less "theoretical" campaigns of the rightist forces against socialism, and they are actually nothing but new attempts to defame and distort it.

As a matter of fact, many of the defects falsely attributed to socialist societies actually occur in the western countries and are typical of the capitalist economic and social-political situations. For example, polarization between a nucleus of leaders and the great majority of society is typical of western societies, wherein inequality of the roles in the power relationship is identified with social inequality generated by private ownership, and power functions as an instrument of social domination and oppression and maintenance of class privileges. This is facilitated by the increasing use of ideological means, which organize the "consensus" around power, presenting it as representative of the interests of society as a whole and above any class conflict in order to preserve the appearances of democracy.

ION FLOREA: When some authors take up questions of the evolution of the contemporary state they generally identify the state phenomenon with the bureaucratic one, they allege the disappearance of the socialist state is necessary in the name of the battle against bureaucratism. In their view the state in general is an "obstacle" to emancipation of the individual and society, while true democracy requires weakening of the socialist state and its ultimate disappearance. This view overlooks the essential difference between the socialist and capitalist states. Application of these authors' "suggestions" would undoubtedly be very damaging. It would weaken the new order and jeopardize the revolutionary gains of socialism.

Construction and development of socialist society are purposeful, organized and uniform on the national level. Accordingly the role of the state is not diminished but augmented as socioeconomic activity is expanded and diversified. Moreover it changes its forms and methods of action in the direction of broader democratism, participation of all workers in the activities of its organs, development of its constructive functions, and its ever closer collaboration with the workers self-management bodies. Of course neglect of democratic improvement of the socialist state's activity or of the masses' effective control over the state organs can cause bureaucratic distortions requiring a constant effort to eradicate any kinds of bureaucratism or cursory performance. Moreover the new

and profoundly democratic character of the socialist state as the political power of the working class and its allies is the objective reason for restricting and gradually eliminating other, bureaucratic institutions incompatible with socialism from the state's activity. The principle of democratic centralism, basic to the organization and operation of the socialist state, inherently requires democratism and relative autonomy of the subordinate local organs. This principle has nothing in common with excessive, unilateral or bureaucratic centralism, which disregards democratism and the rights to autonomy, responsibility and creative initiative.

Moreover the state is the chief subject in the system of international relations, the agent of national sovereignty, and the organizer of relations with other states, defense against any foreign aggression, promotion of the policy of security, disarmament and peace, and collaboration and exchange of material and cultural values, especially in view of the pronounced worldwide interdependence. Under those circumstances the national state and its sovereignty keep advancing as vital motive forces of the peoples' socioeconomic progress. Impairment of the socialist state's role would threaten the very sovereignty of the state and socialism itself as a system.

OIDIU TRASNEA: The question of the state's future is one of the most important one from the standpoint of political theory and practice. It is no coincidence that it has a central place, with many implications, in contemporary discussions of ideas. But most often the "accusation" that the socialist states have "abandoned" Marxism because they have not resorted to "dismantling the state" may be based not on political-ideological grounds but on a misinterpretation of Marx' and Engels' views on the state's role in the society of the future. Certainly Marx and Engels could not even imagine and much less predict the huge growth and increasingly pronounced complexity of the role and functions of the state in our period. As the French historian Fernand Braudel brilliantly phrased it, the contemporary state "takes up the whole social area," as contrasted with the last century. Moreover the historical stage of starting the revolutionary process in the countries building socialism has brought the socialist state new functions that Marx could not foresee in his theory of the socialist revolution, especially in connection with construction of the technical-material base of the new society.

Accordingly I think it is vital to determine the exact meaning of the Marxist conception of what has been called the "disappearance of the state." Of course the passage in Engels where he says that once the social classes are abolished the state will be relegated to the museum of antiquities alongside the bronze axe is most often quoted, and what is more this point is absolutized with no attempt to analyze it further or interpret its true significance. We know that Marx developed his conception of the nature of political power and the state in polemics with a tradition more than 2,000 years old that regarded them, one-sidedly and mystically, merely as instruments for accomplishing the "social good" or the "public interest." In opposing that tradition he emphasized the class function of the state and the dominant character of political power which are absolutized, sometimes deliberately, in current non-Marxist political theory. Because of this Marxism can be misinterpreted as a rigid or one-sided conception in spite of Engels' explanations in his letters of the 1870's. What Marx said in "Capital" about the two aspects of any government was ignored

for a long time, namely "both satisfaction of the general needs flowing from the nature of any society and the particular functions resulting from the antagonism between the government and the popular masses." This distinction between the general social functions and the special class ones is essential to an understanding of Marx' statements about the future or the disappearance of the state.

When Marx and Engels were directly correlating the disappearance of the state with that of the classes, they were thinking of the special functions of the state and not the general ones, namely those of political class domination. In his summary of Bakunin's book "The State and Anarchy" Marx commented, "When class domination disappears, the state will no longer exist in the present political sense of the word." This important distinction is often made in both Marx and Engels' writings. The latter wrote in his famous article on authority, also in opposition to the anarchists, that "All socialists agree that the political state and its political authority along with it will disappear as a result of the future social revolution. This means that the public functions will lose their political character and become mere administrative functions protecting the real social interests." And in "Anti-Dühring" he advanced the famous formula, "Government of persons will be replaced by administration of things and management of the production processes."

Two conclusions follow from this, first that the reference to the political and to the state is to be taken in the narrow sense as well as the broad one of their functions, and second that elimination of class antagonism does away with only one of the fundamental sources of the state, namely political domination, but not the other one that generates the social functions essential to any society. And what is more those functions are to be performed for a still undetermined time by the state in such a way as to "protect the real social interests, namely those of all society." In reference to this dialectic of the development and improvement of the socialist state, Nicolae Ceaușescu said in his Address to the Festive Assembly on the Party's Glorious Jubilee that "Along with development of the productive forces and improvement of social relations, some of the state's old characteristics and functions will diminish and disappear while other, new ones will appear because of the objective necessity of managing the whole revolutionary process and of planning and organizing all socio-economic activity. A dialectical revolutionary process is going on of converting the state to a new and increasingly democratic body."

LIANA IONESCU: By refuting the defamatory suppositions and theories the facts of the socialist countries prove that the new order has made radical structural changes in the political power and its social purpose, creating extensive possibilities for all workers' and the entire people's participation in making decisions and exercising power, and promoting new principles of legitimacy of authority and power based on equitable economic and social relations.

Socialist construction is an undertaking of great historical originality that requires the masses' active contribution to all socioeconomic management and all citizens' direct participation in discussion of matters concerning society's advance on the path of progress and civilization. Based on abolition of any impositions and institution of truly humane relations freed of any exploitation or alienation, the new society built with the people and for the people implements

the entire nation's consensus on the main decisions of political power not through its "blind submission" to power but through the masses' purposeful support and active participation in the exercise of power. In this way Romania's experience is illustrative of the way the distinctions between the managers and the masses tend to become less and less pronounced as the workers' competence in the processes of social management improves, the decision-making centers are correlated more closely with the people's control and political initiative, and revolutionary workers democracy is expanded. Of course some power hierarchies have to be maintained in socialist society too when we consider the nature of organization and management of the whole social system and its efficient operation. But the hierarchic aspects are no longer of a class character, are not due to any social group's domination of others, and therefore do not indicate any form of oppression of the social majority as some western authors tendentiously maintain.

The Romanian political system and the way its chief components (RCP, workers revolutionary democratic state, mass and public organizations, workers self-management) operate proves that socialism and democracy are in complete and inseparable unity and that the new kind of democracy created by the socialist system is superior in all respects to any other kind of democracy.

VICTOR DUCULESCU: It is a distinctive feature of the evolution of the Romanian political system in its present stage, and one indicative of the political superiority of the new order, that all its components are functioning harmoniously and without duplication, leading to fulfillment of the major tasks confronting Romanian society. The workers' use of the many opportunities they have today to participate in political and economic management and state democracy through the public bodies abundantly demonstrates the new, revolutionary and original character of the democratic system created in Romania under the RCP's leadership and guidance. There is a very wide variety of original ways in which the workers participate in discussion and solution of the problems competently and responsibly. As Nicolae Ceausescu said, Romania has created "a unique democratic system whereby the masses' direct representatives decide upon the nation's future, upon the ways to keep implementing the RCP Program for Building the Fully Developed Socialist Society and for Romania's Advance Toward Communism, and upon domestic and foreign policy and determine the measures to further develop Romania and to consolidate its unity, its material and cultural strength, and its sovereignty and independence."

The RCP's new conception of the state is also reflected in the development and diversification of the socialist state's functions in accordance with the tasks confronting it and all of Romanian society in the present stage. The idea of continuing development and improvement of the state's functions, set forth in Nicolae Ceausescu's works, encouraged specialized studies on questions of defining and delimiting the Romanian socialist state's functions more precisely. Under the present historical conditions, on the internal level the socialist state is performing a largely economic-organizational function in order to concentrate the state's activity on organization and management of the economic processes, a cultural-educational function, a social function, and one to defend the socialist values and combat antisocial acts. Externally, the state is performing the function of mutual aid and collaboration with the socialist states, one of cooperation with all states, and one of helping to solve mankind's current problems and especially that of stopping the armaments race, beginning

disarmament, and providing for security and peace, as well as the function of national defense.

The evolution of the state's functions, the relationships between the internal and external functions, and the predominance of some tasks in socialist construction reflect the dialectics of the relationship between the state and the nation, the increasingly pronounced emergence of the state as the representative of all society, and its increasingly close integration with society. The functions of the Romanian socialist state are indicative of its socialist nature and reflect the new demands of Romanian society's development, understanding of the new priorities and, above all, a new conception of the state and its role in social evolution.

MARIN NEDELEA: Socialist construction in a great many countries on various continents and in various initial stages of development has brought out the dialectics of the socialism-state-nation relationship in the period of transition from capitalism to socialism.

As we know, pre-Marxist socialism projected the socialist ideal upon a society wherein any other social problems were ignored on the assumption that they would be solved automatically by the very fact of the changed nature of the society.

The global view of the outbreak and victory of the proletarian revolution, from which Marx and Engels proceeded in the last century, did not permit treatment of any such problem in its entirety. For a long time afterward a number of Marxist thinkers asserting the priority of the tasks of the socialist revolution came to consider the struggle for national freedom secondary and accordingly underrated its real importance.

The initial victory of the socialist revolution in just one country and the maintenance of capitalism in the rest of the world placed the question of the state's role and international relations during the transition to socialism on directly practical grounds for the first time. The specific historical facts showed that without maintaining and strengthening the proletarian state socialism would have been a Utopian illusion. The particular conditions of the historical period wherein the various countries of the world shifted to socialism one by one and not simultaneously demanded maintenance and consolidation of the socialist state as an objective law and not its disappearance as soon as the exploiting classes were overthrown. The reproaches leveled in our time even by some western journalists who consider themselves Marxists at the socialist countries, which are supposed to weaken the state and curtail its functions allegedly in the interest of actual application of the Marxist precepts, appear totally anachronistic and naively idealistic in this light.

Assertion of the socialist state's sovereignty and independence as embodiments of the will and interests of the working class and the respective nation is the most characteristic indication of its maintenance and consolidation in its internal and external actions. Despite this fact and however paradoxical it seems the concept of sovereignty has been suspect and rejected recently even by some of the leftist intellectuals in the West European countries, and the very assertion of this fundamental principle of international law is often labeled "nationalism." While actually adopting the ideology and attitude of the official

circles promoting West European integration, some western journalists forget that equality of states and nations, so far from a general reality today, is a battle cry and a slogan that mobilizes most of the peoples of the world. Under these circumstances, to ignore the fact that no international justice or equality can exist without strict observance of their sovereignty and independence is to adopt a backward position.

Instead of considering the complex social and national realities of our time, some would-be theorists base some quite aberrant and ridiculous assertions upon sterile manipulation of some concepts divorced from reality, such as the idea maintained at a recent international scientific meeting by a western delegate to the effect that the ultimate cause of wars is... incompatibility among the sovereignties of states. In this mystifying logic, regardless of its promoters' subjective intentions, the differences between aggressors and victims and between the oppressive imperialist circles and the fighters for national freedom vanish from the sight of reason, and the laws of domination of some states by others are decreed eternal regardless of the states' social nature while establishment of peace is considered "Utopian" and doomed to failure as long as there are sovereign states in the world.

#### Socialism and Human Rights

GH. AL. CAZAN: Human rights are one of socialist society's problems, extensively discussed by the ideologists of the reactionary imperialist circles in order to disparage the new order's achievements. These ideologists' interest in this problem is of course a political one, since their diversionary action will be the more feasible the more they resort to "criticism" of socialism through a so-called exposure of the situation of the individual and his rights in the countries building the new society. And in this case as in many others as well logic is replaced by sophistry, "material" evidence is sought where none exists, and thin air is advanced as material evidence. Examples of it seem superfluous to us, especially since they are multiplied in the "doctrine" of the "new philosophers," in the views of the representatives of the "new right," and in the writings of J. Ellul, P. Daix and L. Kolakowski, that is of anti-Marxists, former Marxists, etc. Years ago (1978) L. Althusser talked about the "crisis" of Marxism and today some theorists are talking about the "crisis" of socialism, invoking among other things the so-called absence of human rights or "violation" of them in the socialist societies in support of their idea.

In order to refute the reasoning of those who would see in socialism a society "devoid" of human rights or "violating" them regularly, I shall refer to just one fundamental point without an understanding of which any discussion of human rights and especially any "criticism" of socialism can only appear to be based upon a philosophical confusion and no less upon a policy.

From the philosophical point of view, and accordingly a fundamental point of view (It cannot be otherwise because the matter under discussion concerns human rights), it is essential to define the human, and also to determine his ways of life and development under the given social-historical conditions. But from this point of view I think the critics of socialism are projecting the apparent identity of a human with a citizen, characteristic of capitalist society, upon

socialist society. Since human rights are usually confused in capitalist society with a citizen's rights so that bourgeois ideologists see the human in the citizen, they usually do not distinguish between political emancipation and human emancipation, since political emancipation is thought of as human emancipation. This identification and reduction enables the bourgeois ideologists to believe that the only real and possible form of emancipation is the one that confirms "human and civil rights," whereas actually that confirmation reflects the dichotomy of the human being into the one of civil society and the one of political society. That explains why, in the bourgeois democracies, the human of civil society remains captive to acute alienations and exploitation generated by private ownership especially and to social and economic polarities, while as a political human he appears to be and is equal to the other humans, albeit only formally. The truncated and limited political rights and freedoms of capitalist society so loudly trumpeted by its ideologists are intended to convey the impression that a human is fulfilled in that system as a generic being. They accordingly ignore the historically important fact, critical to social development, that while in capitalism the citizen absorbs the real human, being substituted for the latter's generic nature, in socialism the real human absorbs the citizen, in the sense that socialist society and its material, socioeconomic relations permit gradual socioeconomic disalienations and consequently those of the human as such and as a universal generic being, and they secure the all-around development of the personality and make real and effective exercise of the basic human and national rights possible.

By overlooking or ignoring the processual character of human fulfillment in socialism and by absolutizing some past defects in the functioning of the democratic rights and freedoms, the bourgeois ideologists make a deviation a rule and a violation of principle a principle, sophistically concluding that socialism is by its nature "in conflict" with democracy. To be sure there is a conflict, but it is not between the nature of socialism and democracy, but between the nature of socialism and bourgeois democracy.

ION TUDOSESCU: Social innovations are always accompanied and determined by human innovations, and every new society in man's history has had a new human model and a new type of personality. Socialism, as the society of a new kind of social and production relations, has its human type whose individual fulfillment requires close correlation of his interests with the collective ones. The socialist kind of social integration of the individual depends upon those interests and is implemented through work and social and historical responsibility. It enhances his personalization by society, which means that his fulfillment as a person and his purposeful existence in freedom depend upon his performances as a demiurge in his practical relations with society. That kind of human, fulfilled as a personality, could not fully thrive in previous societies and could not develop from the typology of the social relations characteristic of them (which were essentially based upon private ownership) because in general personalization was not an objective of those societies.

But socialism (always processual, to be sure, and not without objective and subjective difficulties in its first stages) by its nature eliminates any kind of exploitation or oppression as well as private ownership along with the barriers to individual personalization, and on the basis of a strategy purposefully planned on the principles of the highest humanism, namely socialist humanism,

it keeps implementing a general process of personalization and access to a fulfillment that is no longer elitist but open to all members of society in an entirely democratic way.

It must also be noted that although the level of personalization characteristic of the fully developed socialist society is generalized, it has nothing in common with the egalitarian model of human fulfillment, which is quite foreign to the idea of socialism and of the new man of socialist society, first because everyone's level of fulfillment as a personality depends on his contribution to the whole historical process of society and its historically determined possibility to enhance personalization, and second because that level depends on the individual's own effort toward personalization and his capacity and talent for making the best use of the opportunities society offers him for assimilating the values of our period and the quality of the selection of values that he achieves through education and instruction.

LIANA IONESCU: It is also characteristic of antisocialist and anticomunist propaganda to attack some alleged "egalitarian Utopias" and the "specter of human uniformity." By creating confusion between social equality and standardized equation of individuals and by deliberately distorting the primary, profoundly humanistic purport of the revolutionary theory, some bourgeois ideologists promote the notion that by virtue of the ideal that it professes socialism inevitably leads to a "standardizing egalitarianism," to disregard of individual originality, to "dissolution" of the individual in society. And by misinterpreting the principles of the Marxist theory and the ways they have been applied they also try to lend theoretical justification to the existing situation in the western countries and to the serious inequalities that plague the capitalist system. Once again adherence to blind anti-Marxism and to antisocialism and anticomunism leads to a betrayal of humanism.

Experience and the facts prove that socialism is the only system that can do away with exploitation and inequalities, make people really equal in their relationship to the production means, in sharing in the exercise of political power, in social management as a whole, and in access to culture, and fully develop the personality. So far from generating a "personality crisis" or a "depersonalization process" as some western ideologists maintain, the new order permits true fulfillment of the personality and use of the creative powers of the entire people and not just those of a limited group of individuals or a minority. Accordingly human fulfillment is not the privilege of any "elite" or "the elect" but is true of society as a whole.

In the RCP's view, as Nicolae Ceausescu said, "Equality is when people can live to the full and enjoy the material and cultural values on a equal basis." Accordingly the ideal of equality certainly does not mean elimination of individual differences or standardization of the personality. In emphasizing the individual with his needs and aspirations the new order regards him as its supreme goal and not just a resource. It is establishing new relations between society and its members that make for their development and free expression of each one's personality. By securing the real civil rights and freedoms socialist society has permanently resolved capitalism's contradiction between the declared human rights and the real possibilities of their actual exercise and of all-around human development.

ION TUROSESCU: It is characteristic of socialism that it accentuates a process of all-around personalization, being itself dependent upon that new kind of personality as a historically purposeful and highly competent agent. The "taste" for freedom of the new man, the man of socialist society, has nothing in common with the historically undetermined, abstract and speculative idea of freedom conveyed by the contemporary more or less anticommunist non-Marxist ideologies but springs from understanding of the basic correlation between individual and collective freedom, between freedom and necessity, or between the standards of behavior and social action, which are in turn dictated by the current set of values, whereby the individual is fulfilled by fulfillment of the community and the human condition is the result of general social progress, which drives the personalization and achievement of the individual's ideals.

The standards of this human type, the new man of socialist society, are based on the principles of revolutionary humanism and are gradually instituted in the process of building the fully developed socialist society and of the advance toward communism. An important part in the formation of this human model is played by the political-educational effort to form and develop socialist awareness and to gradually inculcate the revolutionary spirit as an essential ideological and moral characteristic.

From the specific-historical standpoint the new man is not just a design but a living reality. In some respects his characteristics (heroism at work, spirit of discipline and originality, patriotism and international solidarity, an aggressive and self-demanding attitude, professional competence and a broad cultural horizon, a high morality and confidence in the communist future) are already operative and are in a process of structuring. Of course there are still gains to be made in complete and generalized human fulfillment and accordingly in eliminating some defects from the previous stages of the models for living and behavior. That is why the current revolutionary process of social construction has its counterpart in an equally revolutionary process of human construction with the ultimate purpose of attaining the model of the "total man" of communist society, fully aware and self-controlled and capable of not only of living in the "rule of freedom" but also of completely implementing it. For man will not be entirely free until he creates all the objective and subjective conditions for his freedom.

VICTOR DUCULESCU: Socialist democracy is a new, quite higher and qualitatively different form of democracy that secures the workers' basic rights and freedoms, their full and active participation in state management, and in solution of socioeconomic problems within their collectives. As Nicolae Ceausescu said at the 13th RCP Congress, "As contrasted with capitalism, based on class inequality and domination, Romanian society emphasizes social justice and equity, the individual and his material and cultural needs, and all-around development of the personality."

In this way socialist democracy provides a broad field for self-development of every individual's personality and for achievement of his aspirations in work and life in complete harmony with all society's aspirations. Against the background of workers participation in management a new idea is emerging of the individual's role and social function that can identify his interests with the basic and long-range aims of Romanian socialist society. This new and radically

changed meaning of humanism as a revolutionary humanism in action fully implements the individual's rights and interests while building a society to which he relates completely and in the progress of which he participates with full commitment of all his powers and capacities.

The RCP and its general secretary feel that socialist democracy entails the obligation to work responsibly for the new society's development, while providing all categories of workers with broad rights and freedoms. The party and state leader presented this idea masterfully at the 13th Party Congress, when he said that the two aspects of socialist democracy, namely exercise of the rights and freedoms and a committed, responsible attitude toward consolidation of the socialist system, are interrelated and interact to secure the nation's progress. This creates a new, original and revolutionary conception of human rights, which no longer appear as prerogatives "snatched" from society by the individual under bitter enmity between him and society, as bourgeois ideology has long presented them, but as new manifestations of the individual's responsibility to the community and unprecedented and original possibilities for his development, as well as means of fulfilling his personality more and more effectively in harmony with general social progress. This new view of revolutionary humanism is also reflected in the set of priorities that Romania is planning for human rights and freedoms. As Nicolae Ceausescu said, "While capitalism is proclaiming formal rights, Romanian socialist society is securing the essential human rights, that is the rights to work, education and health protection as well as full equality of all Romanian citizens regardless of nationality."

Romanian society enforces these rights by a series of original guarantees unknown to the bourgeois system. It is primarily a matter of the economic base for implementing them, the measures taken regularly to provide them with a real field of operation, and the actions taken on all levels so that the human rights will be implemented and all members of society will benefit by them. It is clear that exercise of the rights to work and instruction is making the workers more and more committed to building the new society. They are benefiting by these rights and helping at the same time to advance socialist Romania in the world more and more effectively by exercising them, so that there is a close connection between promotion of the human rights and freedoms and the new conception of socialist democracy that Romania is consistently promoting and applying. The workers revolutionary democracy is essential to the practical application and guarantee of human rights and they contribute, through their exercise by workers wholly committed to construction of the new order, to the progress of the order itself and to assertion of its superiority in accordance with all workers' vital interests and the demands of social progress.

#### **Socialism, the Promoter of New International Relations**

**CONSTANTIN VLAD:** As a historically superior socioeconomic system, socialism is called upon to place relations among peoples and states on a new basis, to eliminate wars from society, and to make peace, good will and cooperation constants of international relations. By the very nature of socialism, elimination of exploitation of man by man and the exploiting classes must be accompanied by abolition of any forms of social or national oppression or inequality of rights among peoples.

These chief components of the historical mission of socialism and communism are operating now under the highly complex conditions of the period mankind is going through. The RCP, thanks to its general secretary's priceless theoretical works, has a comprehensive, profound and fully developed conception of the content and significance of the revolutionary social and national reforms that characterize the present period and of the specific conditions as well that accompany the processes that lend it content.

VICTOR DUCULESCU: In promoting a revolutionary view of social reform and describing a new world of equality and respect among peoples, socialism as the most advanced social system anticipates a new kind of international relations from which any traces of the imperialist policy of domination and oppression will permanently disappear. The founders of the revolutionary ideology of the working class unequivocally stated that promotion of new international relations depends upon some radical social and national reforms and upon assertion of the peoples' independence. As Karl Marx and Friedrich Engels pointed out in the Manifesto of the Communist Party, "As exploitation of one individual by another is abolished, exploitation of one nation by another will also be abolished. Once class antagonism within the nation disappears, enmity among nations will also disappear..."

The founders of the revolutionary theory considered socialism inseparable from promotion of new international relations excluding force, the policy of domination, unequal and antagonistic relations among nations, and interference in other states' affairs. Friedrich Engels' opinion that "In general an international movement of the proletariat is possible only among independent nations." In their theoretical works the founders of scientific socialism specially emphasized political and economic questions of emancipation of the working class and victory of the socialist revolution and demonstrated the urgent need of replacing the society based on exploitation with a new society. But they also stressed the point that the victory of socialism will be the starting point of new relations among peoples and replacement of all phenomena that burden international relations, bringing about widespread international collaboration based upon new principles and upon respect for national sovereignty and independence.

Despite the assertions of enemies of Marxism to the effect that international problems were "neglected" in the theoretical works of the founders of scientific socialism, it is clear from analysis of those works that the great ideas of socialism all depend in Marx' and Engels' view on the independence and sovereignty of nations, their right to equality, and formation of a new kind of international relations that will objectively permit maximal development of the peoples' creative powers. Engels was quite right in pointing out that "From the international point of view, national independence seems to be a quite secondary consideration, whereas actually it is the basis of any international collaboration." In speaking of the new era that socialism was expected to inaugurate in international relations in the Constituent Manifesto of the International Association of Workers, Marx explained the need of establishing new international relations wherein "The simple laws of morality and justice that will regulate relations among private persons will become supreme laws of international relations."

Accordingly the obvious conclusion is that socialism as a new and higher order provides for promotion of new international relations from the very start by

doing away with any exploitation or oppression. The uniformity of the view of the future world that socialism projects calls for radical revolutionary reforms on both the national and international levels, so that there is a dialectical unity between the two levels. Moreover the victory of socialism in a number of countries of the world creates new, favorable and hitherto unknown conditions for radical practical changes for the better in international relations, permanently eliminating any traces of the policy of force and dictation and favoring full collaboration among nations based upon respect for every people's identity and the urgent need to secure and guarantee equal rights for all countries and peoples of the world. The presence of the socialist system in a number of countries makes it possible for the relations among the socialist states to be planned differently than international relations in general were planned before, and for the requirements of friendly mutual aid to be added to strict observance of sovereignty and equality, which are natural in the course of qualitatively different relations of the new kind among states that are based on the same production method and share the common goal of socialist and communist construction.

CONSTANTIN FLOREA: Promotion of the new kind of relations among the socialist countries serves the interests both of each people and of all peoples of those countries, as well as those of the new order as a whole. It is a factor of primary importance, it might be said, for strengthening socialism and its influence in the world as a vital motive force for historic progress and for the triumph of the cause of international collaboration and peace.

I think the conclusion is inevitable here that the influence of socialism is no abstract idea and that it does not come about by itself merely because there are a number of socialist states. Moreover the ways socialism exerts its power of attraction throughout the world have been greatly diversified in our time, as well as the ways the new order can assert its superiority over all previous social orders. The nature and intensity of the means whereby the forces of socialism and especially the socialist countries influence the course of international affairs and contemporary social development in general are determined by a series of factors, objective and subjective, material and cultural, economic and political, and internal and international.

The influence of socialism depends primarily upon continued progress and prosperity, enhancement of every socialist country's progress and civilization, promotion of productive internal socioeconomic activity, and the progress made in socialist and communist construction. It is also determined by promotion of new relations among the socialist countries and of a realistic and dynamic policy of peace, disarmament and extensive collaboration with all states of the world, and by a display of constructive initiative on the part of every socialist state in solving the vital problems of our period.

Accordingly, as the RCP and its general secretary keep pointing out, the socialist countries have a particular responsibility for promoting a new kind of international relations demonstrating the superiority of socialism in this field and anticipating the future relations among all states and peoples of the world. As opposed to the imperialist policy of inequality and dependence, use of force and dictation by the strong, disregard of the weaker states' national interests, redivision of the world into spheres of influence, and all kinds of interference and pressures, relations among socialist states are expected to create

better conditions for full assertion of national sovereignty and independence, for strict observance of every people's right to self-determination with no outside interference, for equality of all states' rights, and for development of collaboration, militant solidarity and friendly mutual aid on behalf of the common basic ideal and goals. This can bring out socialism's huge potential for progress even more strikingly.

To be sure experience has shown that contradictions and differences can arise among the socialist countries too, but it is equally true that socialism makes it possible by negotiations allowing for the necessity of consolidating the socialist countries' collaboration and unity, enhancing its role and prestige in international affairs, and asserting the relations among the socialist countries more and more emphatically as models of mutual respect and advantageous collaboration and as examples to all states of the world. With this in mind and especially since the Ninth RCP Congress, the party and state have worked with all determination to develop relations with all socialist states, to overcome any disagreements among them, and to strengthen solidarity and collaboration, considering that this serves every socialist country's interests and the general cause of socialism and peace in the world. As Nicolae Ceausescu said in his Speech at the Plenum of the RCP Central Committee and Main Party Activists in July 1985, "We have often been criticized for this principled stand and because we have not permitted ourselves to indulge in criticism of other socialist countries. Now we can say with justified pride that Romania's policy of relations with all the socialist countries was quite correct and has been serving not only Romania's interests but also those of all the socialist countries and the cause of socialism and peace in general. That is why we are determined to make every effort in the future as well to develop relations with all the socialist countries and to overcome the differences and strengthen solidarity and collaboration with them as an important factor for enhancing their role in international affairs and in the policy of detente, collaboration and peace."

CONSTANTIN VLAD: The present period of social development is one of socialist revolution and transition from capitalist society, based on social and national exploitation and oppression and historically outmoded, to communist society, which eliminates any kind of exploitation or oppression as well as the antagonistic classes. It is the period of abolition of colonial and neocolonial imperialist domination, resolution of underdevelopment, construction of a new international economic and political order, and relations among states and nations based on new principles of equality and respect for national sovereignty and independence. Meanwhile the present period is characterized by an unprecedented scientific-technical revolution permitting rapid development of the productive forces in order to provide for all peoples' necessities of life on that basis.

These processes are going on while the international situation is being seriously worsened by continuation of the armaments race, especially the nuclear one, numerous conflicts and tensions in various regions of the globe, aggravation of the worldwide economic crisis, deterioration of the state of the developing countries, and intensification of the imperialist policy of force, brutal interference in other states' internal affairs, and redivision of the world into spheres of influence. These conditions have aggravated the danger of a new world war that would inevitably become a nuclear war destroying the very conditions for the existence of life on earth. As the party general secretary said

in his recent address to the great people's assembly in Satu Mare municipality, "The serious accident at the Chernobyl Nuclear Power Plant proved once again that nuclear energy out of control knows no bounds and can cause vast destruction, and in case of a nuclear war it would lead to disappearance of the conditions for the existence of life on earth. That is why abolition of nuclear weapons and nuclear disarmament are the vital objectives today! We must make every effort to abolish nuclear weapons from our planet!"

VICTOR DUCULESCU: Now that world problems have become increasingly complex and require new, lasting and constructive approaches, increased active and committed participation of all states of the world in constructive discussion and solution of the major aspects of international affairs is imperative. It is an unquestionable fact of today's world that solutions to the great international problems must respect the interests of every people and every nation if they are to be effective. Unless they are consulted and express their views in the discussions and solutions, no lasting resolutions of the problems of peace, security and international collaboration are possible. As Nicolae Ceausescu said, "Solution of the great problems facing mankind requires the active participation of all peoples of the world with equal rights in international affairs. It is an illusion that the great aims of today, such as victory of the anti-imperialist struggle, disarmament, prohibition of nuclear weapons and security, can be attained without the help of the entire community of states and all peoples of the world. It is only by considering each country's position and every people's national interests that the hotbeds of discord in the world can be eliminated, disputes among states can be settled, and international confidence, collaboration and security can be strengthened. Experience keeps telling us that the problems of peace and progress can be solved only with the participation of all states and nations."

CONSTANTIN FLOREA: As a matter of fact in the last 20 years the RCP and its general secretary have very emphatically brought out the dialectical unity between national independence and international solidarity and the interdependence of the national and international interests.

On the one hand, they have consistently stressed the point that the roles of the nation, the sovereign national state and national independence are being intensively developed and accentuated in our period, so far from being "diminished," and that the effort to observe every nation's right to independent development toward progress and civilization can by no means be considered "narrow nationalism" but is a primary as well as essential requirement for international collaboration and solidarity, detente and peace.

On the other hand, in-depth analysis of the new phenomena and trends in international affairs, the effects of the new technical-scientific revolution, and the objective fact of intensified worldwide interdependences has demonstrated that the progress of every people and every nation is inseparable from and directly dependent upon expanded cooperation among all states of the world and widespread development of international collaboration with no barriers or discrimination of any kind, on many levels, and on a basis of full equality, mutual benefit and solution of the global problems that confront all mankind today.

Of course the interdependences cannot be effective or beneficial unless they operate in close accord with the peoples' wish to see their national independence respected. Real and complete independence alone is the most productive and

reliable basis for lasting collaboration and its intensification in forms suited to reality, the existence of independent states and the real requirements of interdependent development on the regional or world level. At the same time it is equally unquestionable that observance of national sovereignty cannot be used in support of any actions conflicting with the vital interests of the whole international community, the cause of world security and peace, or the aspirations of the great majority of the peoples of the world.

Accordingly historical experience emphatically tells us that the increasingly effective advancement of socialism as a vital factor for progress today heavily depends upon consistent promotion of a realistic, democratic, long-range revolutionary policy allowing for the basic social and national processes of our period in their full extent and entirety and providing for harmonious and consistent coordination of the national and international interests and for the unity of sovereignty and collaboration and of autonomy and solidarity.

VICTOR DUCULESCU: As international relations are intensified and worldwide interdependences increase, some foreign theorists are supporting the idea of "repudiating" the peoples' sovereign rights. They are trying to accredit the idea that in view of the intensified interdependences and aggravated worldwide economic crisis, the only way to heal the international economy and avoid conflicts among states is to repudiate sovereignty and to accept some forms of transnational economic and political organization. But Romanian political thought, brilliantly expressed in Nicolae Ceausescu's theoretical works, has demonstrated on the basis of a profoundly scientific analysis of the facts that in our period preservation of every nation's individual characteristics is vital and absolutely essential to cooperation and a free and independent existence. As the party general secretary said, "No people can be free who do not recognize other peoples' freedom and tolerate subjugation of another nation or violation of the freedom and dignity of another people! That principle of scientific socialism, which has proved correct throughout human history, is vitally important today to the future of the world and to the cause of social progress."

In the present period there can be no question of repudiating the sovereign rights of the national states or diminishing their powers. Now more than ever democratic solution of international problems requires all nations' direct and active participation in preparation and adoption of measures to benefit every people and all progress and civilization. The relationship between sovereignty and cooperation is a true key to understanding nations' progress in the present period for that reason. Therefore it is natural for socialism to militate more and more consistently for every nation's strengthened sovereignty and independence and for continued international collaboration on a mutually advantageous basis that can permit satisfaction of every people's vital needs and their independent advancement among the nations of the world as well as the progress of the entire international community, whose development is inseparable from that of its components who give it its vitality, namely the sovereign national states.

EUGEN DIJMARESCU: As it has been said here, the main problem of the present period is the struggle of progressive and realistic forces everywhere against the threat of war, for disarmament, especially nuclear, and for peace and all peoples' right to life and existence, as the certain guarantee of fulfillment of the whole world's aspirations to progress and prosperity.

The truly humanistic nature of socialism, a society that primarily concentrates upon the individual as such and as a collective for the first time, is reflected in the socialist countries' foreign policy, their active participation in international affairs, and their continuing effort toward detente, good will and collaboration and toward disarmament and peace. The determination with which they work for preservation and defense of peace is indicative of a higher and advanced conception of international relations. This even more emphatically refutes the anticommunist propagandists' theories to the effect that the struggle for peace is merely to give those countries a "respite" to achieve a military parity or superiority over the West. Note in the first place that a parity was established many years ago and the SALT treaties themselves recognize it. In the second place superiority is meaningless in view of the destructive power of modern weapons and especially nuclear ones, because a 5-10 percent advantage in destructive power could never become operational if only a small part of the existing arsenals were activated. And as we know, the states signatory to the Warsaw Pact have stated several times that they are not seeking military superiority.

Socialism's peaceful bent is based on full realization of the fact that peace is indivisible, that mankind's whole progress is impossible without a favorable climate, and that the superiority of the new order is not asserted by force of arms but in the course of peaceful socioeconomic and cultural competition between the socioeconomic systems present in the world today on terms of peaceful coexistence and collaboration between countries with different social systems.

Furthermore the widening economic and social gaps in the world today between the developed and developing countries and the serious worldwide economic crisis affecting, in one way or another, all states and the structures and mechanisms of the world economy and of the international economic order are also factors that necessitate international cooperation and peace in order to remedy those situations. Man's progress urgently demands cessation of the armaments race and a beginning of disarmament measures and considerable reductions of military forces, armaments and military outlays in order to release resources to support development. It is evident that in a climate of international discord like the present one major material and financial capacities and resources are being diverted from their proper socioeconomic purposes, and they are ultimately leading to nothing but aggravation of international tensions.

In another connection, the need for international confidence, peace and security is closely bound up with the very goals of socialism. When we consider the present developmental stage of the world's productive forces, largely due to the new scientific-technological revolution, and that of the ones in the socialist countries, we realize that the aims of intensive economic development are in a close interdependence with the evolution of the international climate. No free circulation of scientific ideas, goods or modern technological advances are possible without a climate of detente and peace. We must remember that all national economic complexes and all states of the world are now geared in a series of interdependences that affect every economy's performances and bind them up closely together. For example, the repercussions of the present economic crisis confronting mankind would have been considerably less if the aberrant armaments race had been stopped in time. In other words, healing the international climate by agreeing upon firm measures leading to a freeze and reduction of

military outlays, to disarmament, and to greater confidence and detente is essential to all peoples' aspirations to progress and prosperity. It is equally unquestionable that more extensive participation of the states in the world economic cycle and greater efforts toward economic and technical-scientific cooperation are important factors for consolidating peaceful conditions on our planet as the international interdependences grow.

CONSTANTIN VLAD: The entire international policy of the RCP and socialist Romania and President Nicolae Ceausescu's theoretical and practical-political procedures are based upon a scientific, realistic understanding of today's world, conform to the course of action of the advanced, progressive and democratic forces, and are intended to help promote the innovative constructive processes on the international level.

Romania invariably bases its foreign relations on full observance of the principles of national independence and sovereignty, complete equality of rights, non-interference in internal affairs, abstention from force or threat of force, solely peaceful settlement of all international differences by negotiation, and more intensive mutually advantageous collaboration on many levels. On that basis, Romania has been working steadily to develop and consolidate its relations with all states of the world regardless of their social systems.

As a socialist country, Romania has been emphasizing development and expansion of its relations with all socialist countries and especially the neighboring ones. Moreover Romania keeps trying to intensify its all-around relations with the developing and unaligned countries and the small and medium states. That policy reflects Romania's conviction that strengthening those states' solidarity and collaboration is an important factor for promoting the policy of independence, collaboration and peace in the world. At the same time, mindful of the principles of peaceful coexistence, Romania is developing its relations with the developed capitalist countries and all states of the world. It plays an active part in the international division of labor and in development of the dialogue and collaboration to resolve all problems in the interests of every nation and of every people's independence, freedom and progress.

The RCP and the Socialist Republic of Romania with been working with every resolve to stop the armaments race and to start disarming, especially nuclear, and to strengthen international security and peace. Nicolae Ceausescu said, "The serious world situation requires now more than ever the union, close cooperation and active solidarity of all peoples and of democratic, progressive forces everywhere in order to stop the dangerous course of events toward confrontation and war, to resume the policy of detente, good will and widespread collaboration and to secure peace in the world.

Expressing its conviction that the contemporary world's problems are soluble only with the help of all states, small, medium and large, Romania has been working for democratization of international relations and consolidation of the UN's role in defending peace, strengthening security and developing international co-operation.

President Nicolae Ceausescu's fundamental principle that the imperialist policy of force, armament and reallocation and consolidation of the spheres of influence

not only fails to strengthen peace and security but seriously jeopardizes the peoples' independence and the general peace. Hence Romania's proposals, initiatives and actions to eliminate the policy of force from international relations as well as the instruments thereof through disarmament, especially nuclear, and on behalf of peaceful settlement of any disputes among states by negotiation alone. Firm promotion of this aim has brought socialist Romania and its president immense and well-deserved prestige. Romania's experience accordingly makes it clear how completely, to the point of merging, socialism is correlated with peace and international good will and cooperation.

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December 29, 1986